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BOARD MEETING
STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD

JOE SERNA, JR., CALEPA BUILDING
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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

BOARD MEMBERS

Ms. Margo Reid Brown, Chair

Mr. Jeffrey Danzinger

Ms. Rosalie Mul

Ms. Cheryl Peace

Mr. Gary Petersen

Ms. Patricia Wiggins

STAFF

Mr. Mark Leary, Executive Director

Ms. Julie Nauman, Chief Deputy Director

Ms. Holly Armstrong, Staff Counsel

Ms. Carol Baker, Staff

Mr. Michael Bledsoe, Staff Counsel

Ms. Kristen Garner, Executive Assistant

Mr. Albert Johnson, Staff

Ms. Roberta Kunisaki, Staff

Mr. Michael Leao, Supervisor, Plastic Technologies
Section

Mr. Jim Lee, Deputy Director, Special Waste Division

Mr. Howard Levenson, Deputy Director, Permitting and
Enforcement Division

Mr. Jon Myers, Assistant Director, Public Affairs Office

Mr. Bill Orr, Branch Manager, Recycling Technologies

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APPEARANCES CONTINUED

STAFF

Mr. John Smith, Branch Manager, Recycling Business Assistance

Ms. Lorraine Van Kekerix, Acting Deputy Director

Mr. Scott Walker, Branch Manager, Remediation, Closure, & Technical Services Branch

ALSO PRESENT

Mr. Frank Ferral, San Joaquin County, Greater Stockton Chamber of Commerce

Ms. Laurie Hanson, Pactiv

Ms. Allison Hudson, San Joaquin County, Greater Stockton Chamber of Commerce

Mr. Richard Idell, Universal Portfolio

Ms. Laurie Nelson, Glad Company

Mr. Charlie Scott, Cascadia Consulting Group

Mr. Scott Smithline, Californians Against Waste

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1 PROCEEDINGS

2 CHAIRPERSON BROWN: Good morning. We'd like to
3 call this meeting to order, and like to briefly for those
4 of you who weren't here last week for the Special Waste
5 Committee meeting introduce Kristen Garner, who is off to
6 my right, who is my new Executive Assistant who will be
7 calling the roll and managing the roll calls for the Board
8 meetings. Thank you for joining us, Kristen.

9 And thank Jennine, of course, once again for
10 doing that for the last five, six months and handling all
11 the affairs of the Board Chair's office. So thank you
12 very much, Jennine.

13 And thank you for coming aboard, Kristen.

14 Can you call the roll?

15 EXECUTIVE ASSISTANT GARNER: Danzinger?

16 BOARD MEMBER DANZINGER: Here.

17 EXECUTIVE ASSISTANT GARNER: Mulé?

18 BOARD MEMBER MULÉ: Here.

19 EXECUTIVE ASSISTANT GARNER: Peace?

20 BOARD MEMBER PEACE: Here.

21 EXECUTIVE ASSISTANT GARNER: Petersen?

22 BOARD MEMBER PETERSEN: Here.

23 EXECUTIVE ASSISTANT GARNER: Wiggins?

24 BOARD MEMBER WIGGINS: Here.

25 EXECUTIVE ASSISTANT GARNER: Brown?

1 CHAIRPERSON BROWN: Here. Thank you.

2 Also I would like to introduce our new
3 Legislative Director, Elizabeth Huber, who is joining us
4 for her first Board meeting. Elizabeth, can you stand up?

5 (Applause)

6 CHAIRPERSON BROWN: Thank you.

7 And Elizabeth comes to us from the California
8 Energy Commission. Thank you for joining our team.

9 I'd like to remind people that if you have cell
10 phones, please turn them into the vibrate mode. If you
11 have PDAs, we request that you turn them off if you intend
12 to speak or are near the microphones.

13 Speaker slips are located in the back of the room
14 on a table near the doors. If you intend to speak, please
15 fill the form out and bring it to Kristen.

16 The Board will be proceeding into closed session
17 at the conclusion of the regular Board business, most
18 likely this afternoon.

19 And now we will do the Pledge of Allegiance.

20 And Jeff Danzinger, can you lead us this month in
21 the Pledge of a Allegiance?

22 (Thereupon the Pledge of Allegiance was
23 recited in unison.)

24 CHAIRPERSON BROWN: Thank you.

25 Do any Board members have any ex partes to

1 report?

2 BOARD MEMBER MULÉ: I'm up to date.

3 BOARD MEMBER PETERSEN: I'm up to date.

4 BOARD MEMBER PEACE: I'm up to date.

5 CHAIRPERSON BROWN: Everybody is up to date.

6 This morning, do any Board members -- before we
7 proceed, do any Board members have any announcements or
8 reports they would like to share?

9 Okay. We will proceed immediately then to the
10 Executive Director's report.

11 EXECUTIVE DIRECTOR LEARY: Good morning. Thank
12 you, Madam Chair and Members. I have one item I'd like to
13 do. But since Madam Chair stole the one introduction I
14 was going to do, which is our new Leg. Director, I would
15 like to introduce among the many distinguished guests we
16 have in the audience the Director of the Department of
17 Conservation is here, Bridgett Luther I think probably to
18 hear Greenseal's presentation, but there's a welcome to
19 Director Luther.

20 (Applause)

21 EXECUTIVE DIRECTOR LEARY: Good news. The
22 Department of General Services has issued the long
23 anticipated management memo which requires all carpet
24 purchased by the State after August 31st, 2006, to meet
25 California Gold sustainable gold carpet standard. There

1 are three manufacturers in the state that can meet that
2 standard.

3 The California standard is a direct descendant of
4 the Board's involvement in the National Carpet Stewardship
5 Memorandum of Understanding. Carpets meeting the standard
6 will contain 10 percent postconsumer content, have low
7 chemical emissions, take back for recycling provisions and
8 numerous other environmentally preferable features.
9 Currently, there are a number of manufacturers that can
10 meet the specification with the carpet tile products.
11 Broad loom carpeting will be a bit more challenging, but
12 we expect there are will be at least three available on
13 August 31st.

14 And by way of introductions, I'd like to
15 introduce a couple of our colleagues and close working
16 partners in environmentally-preferable procurement from
17 the Department of General Services: Dan Burgoyne, from
18 the Director's Office; and Craig Duehring, who's the
19 project manager at DTS for environmentally-preferable
20 purchases. Dan and Craig, if you wouldn't mind standing
21 up. They've been very helpful and active in this Gold
22 carpet standard as well as all the other environmentally
23 preferable efforts at DGS.

24 So with that, Madam Chair, I conclude my remarks.

25 CHAIRPERSON BROWN: Thank you, Mark.

1 Welcome, Bridgett.

2 Do we have any public comment at this time?

3 BOARD MEMBER PEACE: I just had a question.

4 CHAIRPERSON BROWN: Go ahead.

5 BOARD MEMBER PEACE: Mr. Leary, if I can ask you
6 a question. Do you know what the status of the conversion
7 technology report is?

8 EXECUTIVE DIRECTOR LEARY: The conversion
9 technology report is in the approval chain for transmittal
10 to the Legislature. It was forwarded to Cal/EPA a while
11 back. I think probably working it's way through the
12 process as all of our reports to the Legislature, through
13 Cal/EPA, the Governor's Office and transmitted to the
14 Legislature.

15 BOARD MEMBER PEACE: Is it at Cal/EPA right now?

16 EXECUTIVE DIRECTOR LEARY: I don't know if it's
17 at Cal/EPA or the Governor's office. I know it's in that
18 process of approval prior to transmittal to the
19 Legislature.

20 BOARD MEMBER PEACE: How do we find out --
21 because people are asking about it.

22 EXECUTIVE DIRECTOR LEARY: I'd be glad to check
23 back and send you an e-mail.

24 BOARD MEMBER PEACE: Okay. Thank you.

25 CHAIRPERSON BROWN: Thank you, Mark.

1 Okay. We will move to our Board agenda. The
2 consent agenda items include Items 1, 3, 11, 12, and 16.

3 Do any members wish to pull any items from the
4 consent agenda?

5 Do I have a motion?

6 BOARD MEMBER MULÉ: Madam Chair, I'd like to
7 approve the consent agenda.

8 BOARD MEMBER PETERSEN: I'll second that.

9 CHAIRPERSON BROWN: It's been moved by Member
10 Mulé and seconded by Member Petersen.

11 Kristen, can you call the consent agenda roll?

12 EXECUTIVE ASSISTANT GARNER: Members Danzinger?

13 BOARD MEMBER DANZINGER: Aye.

14 EXECUTIVE ASSISTANT GARNER: Mulé?

15 BOARD MEMBER MULÉ: Aye.

16 EXECUTIVE ASSISTANT GARNER: Peace?

17 BOARD MEMBER PEACE: Aye.

18 EXECUTIVE ASSISTANT GARNER: Petersen?

19 BOARD MEMBER PETERSEN: Aye.

20 EXECUTIVE ASSISTANT GARNER: Wiggins?

21 BOARD MEMBER WIGGINS: Aye.

22 EXECUTIVE ASSISTANT GARNER: Brown?

23 CHAIRPERSON BROWN: Aye.

24 It's approved.

25 Items 6, 9, 10, and 14 are on fiscal consent.

1 These matters will be taken up in order for discussion and
2 action as we move to the official calendar.

3 Items 8 and 15 were heard in Committee only.

4 Items 2, 20, and 22 were pulled.

5 After we hear all the fiscal consent items, the
6 Board will take up Items 4, 5, 7, 13, 18, 17, 19, 21, and
7 23 in that order.

8 Item 19 will be heard by the full Board and is
9 being taken out of order to facilitate our guest's travel.
10 It will now be heard with the remainder of the agenda
11 items. And I'd like to invite Member Petersen to
12 introduce our guest speaker.

13 BOARD MEMBER PETERSEN: Thank you, Madam Chair.

14 I would like to introduce Dr. Arthur Weissman,
15 who is President and CEO of Greenseal out of Washington,
16 D.C. They are the premier environmental certifiers of
17 products and services in the United States. And I know,
18 because I am the Chairman of the Board. And Arthur is our
19 good friend, and he has some great information to share
20 and a presentation to make to the Board today. Arthur.

21 (Thereupon an overhead presentation was
22 presented as follows.)

23 MR. WEISSMAN: Thank you, Gary, Madam Chair, and
24 other Board members. And members of the audience, forgive
25 me for having my back to you.

1 --o0o--

2 MR. WEISSMAN: I appreciate this opportunity to
3 discuss green product certification, green procurement,
4 and greening government and also to discuss Greenseal the
5 organization and our programs as part of that.

6 --o0o--

7 MR. WEISSMAN: I'd like to begin by talking about
8 the certification process for environmentally-preferable
9 products, what the basis for it is technically and
10 procedurally, and also what its value is for procurement.
11 And then we'll talk a little bit about green procurement
12 in terms of this state, some of your activities you're
13 currently doing in green procurement, and some past
14 activities we've been involved in. And then more broadly
15 about greening government and what that means and what
16 some of the opportunities are involved in that.

17 And throughout this, I'll be interspersing
18 information about Greenseal as an example of some of these
19 activities and also to show some of the things that our
20 programs do to assist governments in these various
21 activities.

22 --o0o--

23 MR. WEISSMAN: So first a little bit of a
24 background about Greenseal so you'll know where I'm coming
25 from. Greenseal is a nonprofit organization, 501(c)(3)

1 that has been constituted to have an environmental mission
2 to improve the sustainability of the economy and
3 particularly focusing on products and services in the
4 economy. We were really one of the first in the
5 United States to do that, and our effort is to try to
6 identify such products and promote them so as to attain an
7 overall healthier and more sustainable economy and world.

8 --o0o--

9 MR. WEISSMAN: And we do that in a very
10 particular way. Our work has to be entirely science based
11 to have a good sound technical basis. And we look at
12 what's called a life cycle. I'll mention this in a moment
13 more. The life cycle of products, not a single attribute
14 like biodegradability or even recycled content, but a
15 number of different attributes that might be relevant in
16 that product's life.

17 We also look at many different types of products
18 or product categories, not one in particular. We're not
19 focused on one type of attribute like energy either. So
20 this is characteristic I might say of a number of programs
21 around the world of which we are a leading member called
22 ecolabeling programs. There are about three dozen around
23 the world, national programs. And Greenseal is
24 essentially the national program in the United States.

25 A couple of other key characteristics about us is

1 that we do meet the various standards or guidelines that
2 have been set up for such programs by the U.S.
3 Environmental Protection Agency and by the ISO, the
4 International Organization for Standardization. And most
5 important of those perhaps is that we have no financial
6 interest in any product or service that we certify or in
7 any company that we deal with.

8 --o0o--

9 MR. WEISSMAN: Going on to the first major topic
10 of green product certification, the technical basis as I
11 said has to be the best available science, and this is
12 emerging science really, product science and life cycle
13 science. So there are controversies. There are unknowns.
14 But still, one has to bring to bear the best science
15 possible based on life cycle assessment or evaluation.

16 And the key here is that you're looking at the
17 raw materials that a product is made from all the way to
18 that beginning process from here to the extraction of
19 materials, the manufacturing of them, into a finished
20 product. Transportation, that takes place to the user of
21 that product. The use stage and many products like lamps
22 or any other energy or water-consuming products, that's
23 one of the major impact areas. And then after the useful
24 life stage, the end of life management of that product
25 which can be very critical too, as for example in the case

1 of electronics products. That's something that has to be
2 considered and all the different attributes that pertain
3 to the various stages and the significant impacts they
4 have and the ways that one can reduce those impacts.

5 And key is that we're trying technically to
6 identify leadership levels in looking at the life cycles
7 so that we can move the market. These are the products
8 that have leadership levels in these various impact areas
9 in terms of having reduced impacts, more sustainably
10 manufactured and put together, and this is what we want to
11 promote and identify.

12 Now, this all has to be done in part because this
13 is an emerging science and because it can get very
14 controversial. You're dealing with products, the economy,
15 the nuts and bolts of everything that producers make. It
16 has to be done in an open and transparent process. And
17 that means that all stakeholders can be involved in
18 developing the standards on which certification is based.
19 And as I mentioned, it's really critical that there not
20 seem to be any kind of conflict of interest financial or
21 otherwise between the certifier and the producer.

22 --o0o--

23 MR. WEISSMAN: And the value for this process of
24 certification for what your State is involved in every
25 day, procuring goods and services, are numerous values.

1 For one thing, certification can identify for the
2 procurement people the green, environmentally-preferable
3 products and services those that are certified by an
4 organization like Greenseal.

5 Certification also helps to verify claims that
6 are legitimate. Because as we all know, manufacturers
7 make many different claims. And some of them are more
8 legitimate than others, shall I say.

9 The whole certification process since it's based
10 on explicit environmental standards provides that kind of
11 a benchmark for procurement officials that they can look
12 to and see, this is what I want to buy if I want to get a
13 more sustainable product. And, indeed, these standards
14 can be used for specifications and bids. And many times
15 the criteria are taken from the standards or in many
16 case -- this has happened to us as I'll mention soon --
17 that the whole standard is adopted by the procurement
18 entity as the basis for the procurement.

19 --o0o--

20 MR. WEISSMAN: And indeed also certification of a
21 product demonstrates that that product complies with the
22 standard. Often as I mentioned, a State or an agency will
23 specify a Greenseal standard in their bid. They don't
24 require that the product is certified, but they do say it
25 has to meet the standard. But obviously if the product is

1 certified, it makes it a lot easier on the procurement
2 people to say that that complies with the standard.

3 And in all, this is an outside assessment -- an
4 independent assessment by an entity like ours that isn't
5 involved in the procurement process and therefore has no
6 vested interest in it, but has the expertise to provide in
7 evaluating the products.

8 Very important additional aspect of certification
9 for procurement is that standards like ours always include
10 performance criteria in terms of the function of the
11 product. We want to make sure the product works. We
12 don't want you to buy a green product that doesn't do its
13 job. That not only defeats our purpose, but it also
14 results in even greater harm to the environment.

15 And then finally, if the standards are set
16 properly so that in our case we aim for about 15 to 20
17 percent of the market that the standards are going to
18 identify that products are eligible for the top 15 to 20
19 percent of the products, if that's the case, then you will
20 be able to get competitive bids.

21 --o0o--

22 MR. WEISSMAN: Now, looking specifically at
23 Greenseal's certification program, we have a number of
24 product standards, variety of categories that are
25 recognized by the market today as the de facto green

1 standards for those categories. And we have certified
2 many hundreds of products in a wide range of categories.
3 A few of these categories are indicated here from electric
4 chillers, very big objects, some of the top or bottom of
5 your buildings, to paper products in front of you and
6 cleaners and paint and things like that and even in
7 facilities like hotels.

8 We've already mentioned that Greenseal meet the
9 applicable guidelines for certification. And if you want
10 to follow up further, in the interest of time, I'll just
11 mention the standards in particular are ISO 1420 and 1424,
12 the second of which pertain particularly to ecolabeling
13 programs like ours.

14 And then the EPA in their guidance of
15 environmentally-preferable purchasing in 1998 came out
16 with an appendix on guidelines for third-party certifiers
17 that government officials are supposed to look to to make
18 sure that these certifiers are bona fide.

19 And then finally, we also are a member of the
20 Global Ecolabeling Network, 28 entities, all the major
21 ecolabeling entities around the world we co-founded in
22 1994 with Canada and I Chaired for 13 years. It has
23 member criteria much along the same lines as ISO and EPA.

24 --o0o--

25 MR. WEISSMAN: And the key things about these

1 criteria, as you've already gotten the idea from what I've
2 said in the introduction, is that the program has to be
3 open and transparent, be life cycled based, impartial,
4 have leadership levels, and a few additional things. It
5 has to if possible achieve consensus in developing
6 standards. This is really a high bar only because we are
7 setting leadership level standards.

8 And I think you can imagine in the work the Board
9 does when you're confronting an entire industry, a
10 category of products and looking at the whole range and
11 say we're setting a standard that is only going to be
12 eligible to the top 15 or 20 percent, you have a lot of
13 people who are not going to be happy about that. So
14 achieving consensus can sometimes be a challenge. And
15 under ISO, we make reasonable efforts to achieve
16 consensus.

17 And then finally, we have to make sure that we
18 monitor and enforce any certifications that are awarded.

19 --o0o--

20 MR. WEISSMAN: We developed standards in a very
21 painstaking process as indicated here. I won't belabor
22 all the steps that we go through. But some of the key
23 things that I would mention are that we involve
24 stakeholders as early as possible. We do a scientific
25 evaluation called the environmental evaluation of the

1 product category. And then very critically just like you
2 all when you set standards, we put out a draft standard
3 for public review and comment. And then we get comments,
4 and we respond to comments in writing, all substantive
5 comments. And we make changes to the draft standard when
6 we publish the final standard.

7 --o0o--

8 MR. WEISSMAN: And here's an example of such a
9 Committee of stakeholders that we've put together from all
10 different sides, government, manufacturers, users, NGOs,
11 et cetera. We're currently finishing a standard in
12 cleaning services that has 120 different stakeholders.
13 That's different entities.

14 --o0o--

15 MR. WEISSMAN: And this is just a small sample of
16 some of the manufacturers that we have had that we have
17 products certified by. And you can see there's some very
18 big ones here: 3M, Office Depot, Ecolab. And some very
19 small ones. We try to include all different sizes in our
20 program and make it possible for them to participate.

21 --o0o--

22 MR. WEISSMAN: I mentioned that governments are
23 increasingly referring to environmental leadership
24 standards in their environmentally-preferable purchasing.
25 This is really a key way to move the market because of

1 your purchasing power. Here is some examples with several
2 of our standards being referenced at the federal level.
3 EPA Interior Department at the State level with a number
4 of states indicated there, and more that aren't,
5 Massachusetts, Pennsylvania, et cetera.

6 --o0o--

7 MR. WEISSMAN: And there are also some private
8 entities I might add that are doing that like the LEED
9 Program, Leadership in Environment and Energy Design, that
10 references several of our standards.

11 Now, your role as purchasers. The State is a
12 very large purchaser. And I can't remember exactly. It
13 was 7 or \$8 billion a year several years ago. Must be
14 more now. Adds up to a total of State and local
15 purchasing each year of 370 billion, which has a huge
16 potential to move the market.

17 So what you do in terms of specifying products
18 sends a very big signal to the market. And to the extent
19 you want to move it in more sustainable direction, you
20 have the power to do that. And everyone looks at
21 California. I don't need to tell you all that. They look
22 to you as leaders. So you have a real opportunity.

23 And indeed, you are taking some of that
24 opportunity in hand. You've now an
25 environmentally-preferable purchasing task force that has

1 undertaken a number of activities. And in particular, it
2 has a best practices manual that is still as I understand
3 in development, but has a lot of pieces that have come
4 together. And the needs now are to institutionalize this
5 whole process and have training for it. And I understand
6 talking to Craig this morning, that training is beginning
7 shortly on EPP best practices manual.

8 --o0o--

9 MR. WEISSMAN: Some of the past activities the
10 State has undertaken in the last three or four years
11 include projects that we were involved in to actually
12 institutionalize green procurement. We're very excited
13 about this. Because this -- none of this came from you
14 guys or the Cal/EPA. It was all on the other side of the
15 Riverside with procurement division. They actually asked
16 us to work with them for a year in 2002 and '03 to
17 institutionalize green procurement. We had a project with
18 about eight or nine major tasks from finding out who was
19 doing what in the government to actually developing
20 specifications, including modular carpet and product
21 reports in various areas and a special algorithm for
22 setting priorities among the thousands of different
23 product categories and service categories that you procure
24 every year.

25 We also worked both with your office and your

1 agency and with DGS on a joint project on electronics
2 products, procurement use, and the end of life. And we
3 were asked also to evaluate the SABRC Program in terms of
4 its effectiveness in terms of purchasing particularly
5 recycled products. And we helped start the following year
6 a green lodging program in the state that Roberta Kunisaki
7 headed on the Waste Board side.

8 We were not directly involved, but heard a lot
9 about some of the works that Dan Burgoyne was involved
10 with in sustainable building, in particular Capitol East
11 End Complex and all the specifications that were done for
12 that.

13 --o0o--

14 MR. WEISSMAN: And here's just a little page of a
15 few of the things that came out of that. The top
16 left-hand corner is on your website. We didn't do that.
17 But it says just kind of a one-liner on the result of the
18 evaluation of the SABRC Program.

19 --o0o--

20 MR. WEISSMAN: Here's the cover on the right side
21 and the URL for the electronics guidelines that we worked
22 with University of Tennessee, our long-term research
23 partner, with DGS and the Waste Board on. And it's still
24 on your website at that URL.

25 --o0o--

1 MR. WEISSMAN: Now when you put all this
2 together, certification of products, leading to assisting
3 greening of the procurement, you've gone a long way in
4 greening your government. But not all, not all the way at
5 all. There's still -- that's really one piece of the
6 overall picture of greening of State government or any
7 government. And perhaps the foremost piece because it
8 covers so many different things, purchasing of products
9 and services.

10 But besides procurement, there are your
11 operations. How do you run your offices? How do you run
12 programs? There are your facilities that you manage.
13 When we worked with Pennsylvania, they had a couple of
14 hundred buildings. I'm sure you have many more than that.
15 I think just your State Parks system has that many. And
16 all of those use products and services and energy and
17 water and have waste and all that sort of thing. So
18 facilities management is the key thing.

19 You have fleets of cars. You have a lot of
20 travel within the state and outside the state of your
21 employees. You conduct a lot of meetings. You do
22 construction of buildings like the East End Complex and
23 renovation of other buildings. You even produce products.
24 Your Prison Industry Authority, which I actually visited
25 out in Folsom and was unfortunate enough to get out

1 quickly that day, is a remarkable program and they're
2 trying to adopt green specifications as well.

3 How do you put all that together and ensure the
4 State is greening what it's doing? There are many ways to
5 do it. Some states have formal policies. Some have laws.
6 Some have Executive Orders. But all of them lead to one
7 thing, which is the opportunity if not the need for the
8 State to be the example, the model, and the leader for
9 private entities, for all the sub-governmental entities,
10 the localities, counties, and the cities. So that you can
11 talk to them and they can look at you and know that you're
12 really doing what you want them to do. And also the
13 influence that you can have on the marketplace. And I
14 don't need to belabor it. What California does, so goes
15 the rest of the United States. And that's an enormous
16 responsibility and also opportunity.

17 --o0o--

18 MR. WEISSMAN: Some of the things you have done
19 included -- and I know five years ago when I first came
20 out here to talk to folks in this building, it was to
21 develop an environment management system for Cal/EPA. I
22 think that is continuing.

23 You've done a lot of work in green buildings, new
24 construction. You have an Executive Order about this.
25 New construction as to LEED NC, existing buildings LEED

1 EB. You have to be energy efficient, produce energy where
2 possible. And new schools have to meet these
3 specifications as well. You have a mandate to use
4 alternative fuels in your fleets.

5 --o0o--

6 MR. WEISSMAN: And these are things that we try
7 to work with various governments to help them do in
8 greening your government program. And we got into this
9 really kind of by surprise, because we started our program
10 is product certification and service certification. But
11 we found by leveraging the market with entities like yours
12 we could do a lot more with achieving our mission. And
13 we've worked at federal, State, and local levels in doing
14 this.

15 --o0o--

16 MR. WEISSMAN: As an example, we worked with
17 Commonwealth of Pennsylvania to develop the Green Building
18 Operations and Maintenance Manual back in 2001 and 2002.
19 It's still on our website, the Department of General
20 Services of Pennsylvania. And it's quite an elaborate
21 guidance on green facilities O&M.

22 --o0o--

23 MR. WEISSMAN: We also work with a number of
24 State and federal agencies on lodging because of the
25 travel that their employees do. And in many cases, the

1 government is also trying to move that industry sector
2 toward more sustainable operations and purchasing. And
3 we've been doing that for about the last ten years. We
4 actually have a standard we certify hotels to. And your
5 state is one of the governments we've worked with in 2004,
6 helped work with California State University here in
7 Sacramento assisting them in setting up a green lodging
8 program with the Waste Board directing it.

9 --o0o--

10 MR. WEISSMAN: Here's a list of some of the
11 mostly governmental clients that we worked with. Some
12 private as well. For example, we are doing some work with
13 the National Park Service in the state of Virginia right
14 now. But we're also finishing a project on green
15 procurement and green facilities management with the
16 University of Miami.

17 --o0o--

18 MR. WEISSMAN: A few final words on what we would
19 suggest still needs to be done here from our admittedly
20 outside perspective, not having worked here for the last
21 few years. But I think in order to really achieve the
22 leadership and the impact that you can and want to have,
23 you need to have, for lack of a better word, further
24 institutionalization of your government's greening and
25 greening of the procurement.

1 The training on best practices is a good way to
2 do it. Green procurement has to be made to be standard
3 operating procedure, not an add-on, but really the
4 default. You have to develop a whole lot more
5 environmental specifications for products. We would start
6 with the priority categories that we identified in our
7 procurement division project back in 2002. The project
8 that we did for them only covered only four out of the 50
9 in terms of what we could actually help in that year.

10 The best practices manual is a good start in
11 developing environmental specifications, but they tend to
12 be right now in only some of the categories. And they
13 tend to be more generic or only focusing on a few
14 attributes.

15 And then when you have all that stuff
16 institutionalized for green procurement, you can also do
17 lots of other stuff on your travel, boosting the green
18 lodging program, which got a good start in the last few
19 years, making sure your meetings are sustainable, trying
20 to implement green facilities O&M throughout the state.
21 Just think if all the buildings of the state could be
22 certified as environmentally responsible in their
23 operation, and your fleets and et cetera.

24 --o0o--

25 MR. WEISSMAN: So in conclusion, what I've been

1 trying to explain is that environmental certification
2 programs can support large institutional green procurement
3 efforts. They can go hand in hand with them. And
4 ultimately green procurement is a central goal of greening
5 government, but that also includes many other things.

6 Greenseal has been around since 1989 doing a lot
7 of work in certification in greening government. And we
8 can assist in these processes and help California become a
9 world leader.

10 With that, I'd like to take any questions or
11 comments that you may have.

12 CHAIRPERSON BROWN: Thank you very much, Dr.
13 Weissman, for that fabulous presentation.

14 Does anybody have any questions? Member Mulé.

15 BOARD MEMBER MULÉ: Thank you, Madam Chair. And
16 thank you, Dr. Weismann for making the trip out here and
17 enlightening us with, number one, everything that the
18 organization does. But number one, I'm more intrigued
19 with the fact that you've been here in the past four or
20 five years ago working with us.

21 And so I just want to go back. It sounds like
22 you had a project to institutionalize. It says
23 institutionalize green procurement. And that was with
24 DGS; correct?

25 MR. WEISSMAN: With the procurement division of

1 DGS.

2 BOARD MEMBER MULÉ: Is that the project where you
3 only looked at four of the 50 items?

4 MR. WEISSMAN: Yeah. In terms of helping to
5 develop specifications and give some product
6 recommendations, correct.

7 MR. WEISSMAN: So can I ask what happened? It
8 sounds like the project was stopped and --

9 MR. WEISSMAN: Well, what happened in terms of --
10 it was a year-long project with limited funding. And it
11 wasn't that we were supposed to do 50. That would have
12 taken much more than they had resources available at the
13 time. So we did actually accomplish what we were supposed
14 to do, and a lot of the work went into forming a
15 foundation for greening the procurement.

16 And that involved, for example, knowing what
17 agencies besides procurement division were involved in
18 setting environmental criteria, like the Waste Board, like
19 ARB, et cetera. But around all the different agencies to
20 get a sense of what their involvement and procurement was,
21 what kinds of categories they procured, what their
22 interest was in environmental specifications and trying to
23 bring them into the fold. So there was a lot of that kind
24 of coordination work.

25 The priorities setting task itself consumed the

1 first two months to try to get a handle on the enormous
2 purchasing that the State conducts. But at the end of
3 that, we gave -- throughout the year we gave all these
4 work products. We know that some people in the Waste
5 Board were familiar with what was being accomplished and
6 produced. But we were not aware it got very widely
7 disseminated. There perhaps was some break in that
8 dissemination process. And then, of course, there were
9 changes in personnel and administration. And so perhaps
10 it just didn't get as widely dispersed and
11 institutionalized as it should have for what the whole
12 purpose of the project was.

13 BOARD MEMBER MULÉ: Right. Because it sounds
14 like you started out in my mind at least with the right
15 State organization in terms of working with DGS, DGS the
16 Procurement Department. But then I guess like you said,
17 because of changes in personnel, the project just didn't
18 have high priority with the incoming leadership.

19 MR. WEISSMAN: It was hard to know exactly what
20 happened. I think the people in charge in the procurement
21 division were doing their best and were reaching out
22 across the river here to the Waste Board people. And I
23 know they had some meetings together. They even started
24 doing a website. And some of the products that we did
25 actually got put on that website.

1 But my sense was -- and of course being on the
2 outside and in the role we had, visive the procurement
3 division, we were not exactly able to do things too much
4 outside of what the division wanted. But my sense was
5 there wasn't a whole lot of that going on, and I wasn't
6 also aware that there was a lot of internal dissemination
7 of these work products because of other priorities. So
8 that was perhaps a disappointment, but it wasn't clear
9 because I was on the outside what exactly was going on.

10 BOARD MEMBER MULÉ: Thank you very much. Really
11 appreciate your time and presentation.

12 CHAIRPERSON BROWN: Member Petersen.

13 BOARD MEMBER PETERSEN: Yes, Arthur, thank you.
14 And I do know he'll be around and meeting with some people
15 afterwards I guess from the Department of Conservation and
16 DGS. So thank you, Arthur, for what you're doing and the
17 visit. It's great.

18 CHAIRPERSON BROWN: Thank you very much.

19 Do we have any other questions?

20 MR. WEISSMAN: Thank you all very much.

21 CHAIRPERSON BROWN: Thank you very much for
22 coming and for the work you've done to help green
23 California. I hope we'll get more done.

24 Now I'd like to move to the fiscal consent items.
25 I'd first like to ask Committee Chair Mulé if she wishes

1 to have a report from the P&E Committee.

2 BOARD MEMBER MULÉ: Thank you, Madam Chair, yes.

3 In our Committee we heard two permit items which both were
4 placed on consent, two grant award items.

5 CHAIRPERSON BROWN: Excuse me.

6 I'm sorry. Go ahead.

7 BOARD MEMBER MULÉ: That's okay.

8 We have two grant awards. Items one is on fiscal
9 consent. The other one will go to the full Board.

10 We also heard the scoring criteria and evaluation
11 for the Farm and Ranch Grant Cleanup Program.

12 And then also we will be hearing today the
13 assessment of landfill gas monitoring, the contractor for
14 that project.

15 And we did have a Committee only item, which was
16 the rulemaking direction for the temporary waiver of
17 permit terms.

18 And that concludes my report, Madam Chair. Thank
19 you.

20 CHAIRPERSON BROWN: Thank you very much, Member
21 Mulé.

22 And I'd like to move now to Agenda Item 6. Mr.
23 Levenson.

24 DEPUTY DIRECTOR LEVENSON: Thank you, Madam
25 Chair. And good morning, Board members. I'm Howard

1 Levenson, Deputy Director for Permitting and Enforcement.
2 And I'll give you a very short presentation on Item 6
3 which is on fiscal consent.

4 This item is Consideration of Grand Awards for
5 the Solid Waste Disposal and Codisposal Site Cleanup
6 Program for Fiscal Years 2005-2006. We received two grant
7 applications. In our evaluation we are recommending
8 approval of these two grants pursuant to the Cleanup
9 Program regulations and scoring criteria. One of the
10 grants would be to Los Angeles County for a very unique
11 cooperative cleanup project with Union Pacific Railroad on
12 railroad rights-of-ways. And this would be a matching
13 grant totaling \$750,000.

14 The second grant is to the City of Sacramento for
15 the cleanup of illegal dumping sites in four kind of
16 chronic areas within the city. This is similar to a grant
17 that we provided to the County for cleanup purposes.

18 So with that, I'd like to recommend Option 1,
19 that the Board approve the proposed grants and adopt
20 Resolution Number 2006-99. We'd be happy to answer any
21 specific questions you have about this item and the
22 grants. Thank you.

23 CHAIRPERSON BROWN: Thank you, Howard.

24 Do we have any questions?

25 BOARD MEMBER PEACE: I just have a general

1 question. Are Native American tribes eligible for this
2 grant program also?

3 BRANCH MANAGER WALKER: Scott Walker, Permitting
4 and Enforcement Division. The Solid Waste Cleanup Program
5 does not allow for Indian tribes to apply for grants.
6 However, the Board has considered and approved some Board
7 managed projects related to tribal lands.

8 BOARD MEMBER PEACE: So those have to be through
9 the Farm and Ranch because --

10 DEPUTY DIRECTOR LEVENSON: I'd just like to
11 clarify that for purposes of the Solid Waste Cleanup
12 Program, the Board typically has two different ways in
13 which we conduct cleanups. One is through grant
14 applications and approvals by the Board. And for those,
15 the tribal lands are not eligible. But we also have our
16 two large engineering contracts, and we bring sites to you
17 for approval such as La Montaa, National City, and
18 others, and those are what we call Board-managed cleanups.
19 They're managed under those contracts. And for those, the
20 Board has approved tribal sites in the past.

21 BOARD MEMBER PEACE: Thank you.

22 CHAIRPERSON BROWN: Any other questions?

23 Can I have a motion on this?

24 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
25 Resolution 2006-99.

1 BOARD MEMBER PEACE: Second.

2 CHAIRPERSON BROWN: It's been moved by Member

3 Mulé and seconded by Member Peace.

4 Kristen, call the roll.

5 EXECUTIVE ASSISTANT GARNER: Danzinger?

6 BOARD MEMBER DANZINGER: Aye.

7 EXECUTIVE ASSISTANT GARNER: Mulé?

8 BOARD MEMBER MULÉ: Aye.

9 EXECUTIVE ASSISTANT GARNER: Peace?

10 BOARD MEMBER PEACE: Aye.

11 EXECUTIVE ASSISTANT GARNER: Petersen?

12 BOARD MEMBER PETERSEN: Aye.

13 EXECUTIVE ASSISTANT GARNER: Wiggins?

14 BOARD MEMBER WIGGINS: Aye.

15 EXECUTIVE ASSISTANT GARNER: Brown?

16 CHAIRPERSON BROWN: Aye.

17 Thank you. That has passed.

18 And we will move next to the Special Waste

19 Committee fiscal consent items. And other than our

20 wonderful presentation at our Committee for Doug Ralston's

21 retirement, I will turn everything over to Deputy Director

22 Lee for your report.

23 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

24 Good morning, Board members. My name is Jim Lee, Deputy

25 Direct for the Special Waste Division.

1 Board Item 9 is Consideration of the Grant Awards
2 for the Used Oil Opportunity Grant Program, the 8th Cycle,
3 Used Oil Recycling Fund, Fiscal Year 2005-06.

4 Used Oil Opportunity Grants are competitive
5 grants designed to support local governmental agencies'
6 efforts to interest or enhance used oil collection
7 programs. The focus of this year's grant cycle was on
8 construction of permanent facilities, oil filter
9 collection, or oil collection and recycling efforts at
10 marinas or at curbside.

11 This item was heard by the Special Waste
12 Committee and recommended for fiscal consent. Staff
13 recommends the Board approve a total of \$1,211,161 to
14 eight identified applicants and adopt Resolution 2006-92.

15 CHAIRPERSON BROWN: Thank you.

16 Do we have any questions?

17 Can I have a motion?

18 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
19 Resolution 2006-92.

20 BOARD MEMBER PEACE: Second.

21 BOARD MEMBER PETERSEN: I'll second that.

22 CHAIRPERSON BROWN: It's been moved by Member
23 Mulé, and it was actually seconded by Member Peace and
24 Member Petersen subsequently. So it's been seconded and
25 seconded.

1 And Kristen, can you call the roll?

2 EXECUTIVE ASSISTANT GARNER: Danzinger?

3 BOARD MEMBER DANZINGER: Aye.

4 EXECUTIVE ASSISTANT GARNER: Mulé?

5 BOARD MEMBER MULÉ: Aye.

6 EXECUTIVE ASSISTANT GARNER: Peace?

7 BOARD MEMBER PEACE: Aye.

8 EXECUTIVE ASSISTANT GARNER: Petersen?

9 BOARD MEMBER PETERSEN: Aye.

10 EXECUTIVE ASSISTANT GARNER: Wiggins?

11 BOARD MEMBER WIGGINS: Aye.

12 EXECUTIVE ASSISTANT GARNER: Brown?

13 CHAIRPERSON BROWN: Aye.

14 That's good. A lot of approval.

15 We'll move to Agenda Item 10.

16 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

17 Board Item 10 is Consideration of Awards for the

18 Targeted Rubberized Asphalt Concrete Incentive Grant

19 Program, Tire Recycling Management Fund, Fiscal Years

20 2005-06 and 06-07.

21 This item requests funding for four identified

22 applicants in the amount of \$625,000. Of the \$625,000,

23 572,000 constitutes the remaining funds from the Five-Year

24 Plan allocation for this item. And 53,000 is from a

25 Board-approved May reallocation determination. These

1 consideration and Special Waste Committee direction are
2 reflected in the Revision 2 of the Resolution which you
3 have before you. If the Board approved the proposed grant
4 awards, it will conclude for staff what we considered to
5 be a very successful first year implementation of this
6 grant program.

7 As you know, increased use of RAC along with
8 civil engineering uses of tires are the centerpiece of the
9 Board's efforts to refocus our Five-Year Plan effort and
10 achieve higher diversion rates for waste tires. This
11 program was also an excellent example of the Board's grant
12 streamlining efforts featuring a simplified application
13 and a monthly grant award and approval process.

14 Staff recommends that the Board adopt Resolution
15 2006-101 as revised in the award of \$625,000 to four
16 identified grant applicants.

17 CHAIRPERSON BROWN: Thank you, Mr. Lee.

18 We have a question for Member Wiggins.

19 BOARD MEMBER WIGGINS: Actually, this is a
20 comment. I just spent last weekend in Phoenix and road on
21 their wonderful rubberized asphalt roads. They're all
22 over. So we have a lot of catch up to do.

23 DEPUTY DIRECTOR LEE: We do.

24 CHAIRPERSON BROWN: Member Peace.

25 BOARD MEMBER PEACE: This program was very

1 successful. We gave out -- in fact, it was
2 oversubscribed. We gave out more than \$3.8 million in
3 this program. Now I heard the Governor was going to put
4 \$5 million into the RAC Program possibly through the
5 budget next year. Has anybody else heard anything about
6 that?

7 DEPUTY DIRECTOR LEE: That's my understanding,
8 Board Member Peace.

9 BOARD MEMBER PEACE: Should we should have an
10 additional \$5 million than what we put in the Five-Year
11 Plan for next year?

12 DEPUTY DIRECTOR LEE: That will be correct. And
13 we'll have to be coming back to the Board early in the
14 fiscal year for the Board's determinations on how that
15 money should be apportioned among the various RAC related
16 programs that we have.

17 BOARD MEMBER PEACE: Thank you.

18 CHAIRPERSON BROWN: Thank you.

19 Do we have any other questions from Board
20 members? Could I have a motion?

21 BOARD MEMBER MULÉ: I'll move Resolution
22 2006-101, Revision Number 2.

23 CHAIRPERSON BROWN: Can I have a second?

24 BOARD MEMBER PEACE: Second.

25 CHAIRPERSON BROWN: It's been moved by Member

1 Mulé and seconded by Member Peace.

2 Kristen, can you call the roll?

3 EXECUTIVE ASSISTANT GARNER: Danzinger?

4 BOARD MEMBER DANZINGER: Aye.

5 EXECUTIVE ASSISTANT GARNER: Mulé?

6 BOARD MEMBER MULÉ: Aye.

7 EXECUTIVE ASSISTANT GARNER: Peace?

8 BOARD MEMBER PEACE: Aye.

9 EXECUTIVE ASSISTANT GARNER: Petersen?

10 BOARD MEMBER PETERSEN: Aye.

11 EXECUTIVE ASSISTANT GARNER: Wiggins?

12 BOARD MEMBER WIGGINS: Aye.

13 EXECUTIVE ASSISTANT GARNER: Brown?

14 CHAIRPERSON BROWN: Aye.

15 Thank you.

16 Now we will move to Agenda Item 14 on the fiscal

17 consent, and first ask Committee Chair Petersen if he

18 wishes to make a Committee report.

19 BOARD MEMBER PETERSEN: Thank you, Madam Chair.

20 The Sustainability and Market Development

21 Committee met last Tuesday, June 6th, and heard seven

22 items.

23 Items 11 and 12 on our agenda amended

24 non-disposal facility elements for Stanislaus County

25 Regional Solid Waste Planning Agency and Humboldt County

1 were approved on our consent calendar this morning.

2 Item 14, an RMDZ loan for West Coast Rubber, was
3 approved by the Committee for fiscal consent by the Board
4 today.

5 Staff presented proposed revisions to the draft
6 e-waste regulations based on comments received during the
7 initial 45-day comment period. These modifications
8 include: Revise the California source definition to align
9 with the statutory amendments to the e-waste law made by
10 Senate Bill 50; removing the inference that the standard
11 statewide recovery payment rate recyclers must be paid by
12 collectors currently at 20 cents per pound is a minimum
13 rate, providing that the recyclers shall make information
14 about the status of covered electronic waste transferred
15 from the collector available to that collector on request;
16 and making minor changes to the general requirements for
17 recycling payment claims.

18 The Committee directed staff to issue these
19 proposed revisions for an additional 15-day public comment
20 period which is now underway and will conclude on June
21 23rd. We anticipate the proposed draft regulations will
22 be available for adoption by next month's Board meeting,
23 putting us in an excellent position to meet the December
24 deadline for completing all this remarkable progress that
25 has been done by the staff. It's amazing.

1 Item 16, the covered electronic waste recycling
2 fee and standard statewide recovery and recycling payment
3 rate, was approved by our consent calendar.

4 Items 17, the 2005 recycled content trash bag
5 compliance certification, was approved by the Committee
6 and should be considered following Item 18 because the
7 Board's action on that item will determine the final list
8 of noncompliant manufacturers and wholesalers.

9 In the Committee's consideration of Item 18,
10 manufacturers' request for exemption from compliance for
11 2005 trash bag certification, we voted unanimously to
12 approve the request from Poly-America, LP, and to deny the
13 request from Glad Manufacturing, Pactiv Corporation,
14 Republic Bags, and Trans Western Polymers, Inc., will
15 determine the final list of noncompliant companies subject
16 to adoption in Item 17.

17 And that concludes my report.

18 CHAIRPERSON BROWN: Thank you, Member Petersen.

19 Now we'll move to Agenda Item 14, Mr. Smith.

20 ACTING DEPUTY DIRECTOR SMITH: Good morning,
21 Chair Brown and Board members. For the record, I'm John
22 Smith, the Acting Deputy Director for Waste Prevention and
23 Market Development.

24 The item before you is the Consideration of the
25 Recycling Market Development Revolving Loan Program

1 Application for West Coast Rubber Recycling, Inc. This
2 item was heard in Committee and was approved unanimously
3 and placed on fiscal consent.

4 This loan to West Coast Rubber Recycling, Inc.,
5 is to a tire manufacturer that produces both tire crumb
6 and tire buffings and uses these materials to produce a
7 number of finished recycled rubber products including
8 traffic bumpers, rubber mulch, and a variety of
9 mutli-rubber products.

10 The facility will be located in the city of
11 Hollister which is part of the Central Coast Recycling
12 Market Development Zone. The project will divert an
13 additional 217 tons of tires and create six local jobs.
14 The loan is for \$670,000 to purchase real estate. The
15 Board's Loan Committee unanimously approved the loan on
16 June 1st.

17 Staff recommends that the Board approve Option 1
18 and adopt Resolution Number 2006-102 to approve an RMDZ
19 loan to West Coast Rubber Recycling, Inc., in the amount
20 of \$670,000. Are there any questions?

21 CHAIRPERSON BROWN: Thank you, Mr. Smith.

22 Do I have any questions from Board members?

23 BOARD MEMBER PETERSEN: I don't have a question,
24 but I want to recognize that I think this is a great
25 project. And it's just what we should be doing. Thank

1 you.

2 CHAIRPERSON BROWN: Thank you, Member Petersen.

3 Without any other questions, can I have a motion?

4 BOARD MEMBER PEACE: I'd like to move Resolution
5 Number 2006-102.

6 BOARD MEMBER WIGGINS: Second.

7 CHAIRPERSON BROWN: It's been moved by Member
8 Peace and seconded by Member Wiggins.

9 Can we call the roll, Kristen?

10 EXECUTIVE ASSISTANT GARNER: Danzinger?

11 BOARD MEMBER DANZINGER: Aye.

12 EXECUTIVE ASSISTANT GARNER: Mulé?

13 BOARD MEMBER MULÉ: Aye.

14 EXECUTIVE ASSISTANT GARNER: Peace?

15 BOARD MEMBER PEACE: Aye.

16 EXECUTIVE ASSISTANT GARNER: Petersen?

17 BOARD MEMBER PETERSEN: Aye.

18 EXECUTIVE ASSISTANT GARNER: Wiggins?

19 BOARD MEMBER WIGGINS: Aye.

20 EXECUTIVE ASSISTANT GARNER: Brown?

21 CHAIRPERSON BROWN: Aye.

22 Thank you very much, John.

23 Now we will move to Agenda Item 4. And Mr.
24 Levenson -- oh, excuse me. I'm sorry. We have a member
25 of our audience who would like to participate in public

1 comment, but was not here. And so we'd like to briefly
2 allow him to speak before we move on to our agenda items.
3 Allison Hudson and Frank Ferral from San Joaquin County
4 and the Greater Stockton Chamber of Commerce. They're a
5 green team. Welcome. We'd like to give you some time for
6 your public comment.

7 MS. HUDSON: Appreciate you taking time for us.
8 You've already introduced us. We represent the regional
9 RMDZ Program for San Joaquin County and all its city. And
10 we thought it time for us to come to you with a bit of an
11 update on some of our initiatives, two in particular. One
12 that's ongoing and a new one.

13 My name is Allison Hudson. I work for the
14 Department of Public Works for the County Solid Waste
15 Division. Our partnership with the Chamber is unique in
16 California, we believe. It blends economic development
17 and business with the agency work that we do well.
18 Economic development not being one of those things. So
19 we've been together now for about five years.

20 This is our second decade as an RMDZ, and we're
21 just starting to get going. And our programs are really
22 heating up, and we think that we have a great future ahead
23 of us.

24 I do want to thank you for your patience and your
25 understanding that RMDZs, along with many of these other

1 programs, take a while to get going. They're really not
2 one- or two-year programs. You're really talking about
3 building an infrastructure, about educating, you know, and
4 building a foundation for manufacturing and the use of
5 recycled products. And from that, as you build that
6 foundation, then you're going to end up with your bowls or
7 your chairs or your fences or whatever it is that's made
8 out of your recycled product. So we've taken a bit of a
9 different tact.

10 This is our second successful RMDZ Rexpo which
11 was held this year. Along with focusing on products, it
12 focused actually on manufacturers and on the processors
13 for recycled content materials. And so while we realize
14 that it is a different approach, we really believe it's
15 going to be a successful one for us and one that will
16 again build an infrastructure and lead into some of the
17 other initiatives that we're talking about doing. So we
18 do appreciate your support on that.

19 We have a new initiative. Well, actually, just
20 in continuation with the Rexpo, we're looking to next year
21 where we're putting together an Advisory Committee that
22 includes manufacturing companies and other businesses
23 along with the solid waste of planning agencies in the
24 county. And we're looking to do things like a green hotel
25 where we not only had a model hotel where people who come

1 to the Rexpo can stay, but also will be providing seminars
2 of interest in the whole greening area for these
3 individuals who are coming to these workshops. So we'll
4 be featuring I think three of those and hosting them and
5 trying to pull people in that way.

6 We also have a Green Team which is one of Frank's
7 new ideas. The Rexpo being his old idea. And so the
8 Green Team will help us outreach to businesses and
9 manufacturers to look at how commercial entities can
10 incorporate best management practices into their everyday
11 activities. And we are talking about the foundation work
12 of green policies for businesses and then best management
13 practices. We'll be doing seminars. We'll also be doing
14 individual visits to these various businesses of people
15 that are already involved in the process. And we'll be
16 looking at new businesses as they come into the county.

17 And we'll be looking at a number of different
18 areas. Like I said, it would be green policies. We're
19 also looking at alternative energy and what that can do
20 for us as far as being environmentally cutting edge and
21 saving money. We're looking at green buildings, green
22 hotels, and then of course we're always looking at
23 education. What our customers, the businesses, the
24 commercial entities out there are looking for, what they
25 need to know, and what they want to know. And we'll be

1 providing that for them.

2 MR. FERRAL: She stole my presentation. She had
3 my notes right here and looked at everything I was going
4 to say to you. What are you going to do?

5 Frank Ferral, Greater Stockton Chamber of
6 Commerce. I'm the Program Public Policy Director.

7 It's our privilege really to be the Zone
8 Administrator for the Recycling Market Development Zone
9 Program. As you know -- and Member Mulé who was down to
10 speak to our manufacturers a couple of years ago. I
11 extend that invitation again. They want you back.
12 Encore, encore.

13 And we're really looking from the business
14 perspective. We want to meet our public sector friends
15 halfway. You know, instead of doing the full outreach to
16 business community, the business community wants to do a
17 full outreach to our public sector to make, you know,
18 formulate some excellent green policies that benefit
19 everyone, not just the public sector, not just the private
20 sector, but everyone, the environment, the students. I'm
21 on the School Board in Ripon until about 11:30 last night.
22 I know you know what I'm talking about. But we're doing
23 it for the future of California, our future workforce.

24 And the Chamber is making a commitment to go
25 green. We want to be the only green Chamber in the

1 central valley. You know, changing out our carpet, doing
2 our energy efficient lights, and windows and everything in
3 there. We want to go totally green. It's good to be
4 green.

5 But as Allison alluded to, the Recycling Market
6 Development Zone Program and the training that it gave us
7 in San Joaquin County, we're really utilizing that
8 training, those efforts through our Zone Works Workshops.
9 We're taking all the information we're gathering and we're
10 trying to implement. We're putting an implementation plan
11 together. We're not just putting it on a shelf and
12 blowing off the dust when we want to look at it.

13 Alternative energy, working with California Green
14 Builders Program. They're going to be a big part of this.
15 Implementing our business educational alliance program at
16 the Chamber, which is a private/public partnership, as
17 well between academic institutions and the business
18 sector. The Greater Stockton Chamber is 1700 members,
19 about 35,000 employees which we represent. So we think we
20 have the nexus in place that we can build on.

21 And I do invite you down to come and see Rexpo
22 three in January as part of our 31st annual Ag Expo
23 Program down at the San Joaquin County Fairgrounds. We've
24 learned a lot last year. We thought it was a totally
25 successful program, a couple of glitches, but you're

1 always going to have that. But I think we have generated
2 some excellent opportunities for this year to bring in the
3 public and the private sector to demonstrate what
4 resources we have collectively to work with here in
5 California.

6 So with that, I'm open to any questions you may
7 have.

8 CHAIRPERSON BROWN: Thank you both very much.

9 Thank you for your presentation. I appreciate it.

10 Gary.

11 BOARD MEMBER PETERSEN: Madam Chair, do you give
12 lessons to other Chambers?

13 MR. FERRAL: Absolutely. We're having the best
14 practices. We don't like to reinvent to wheel. We like
15 to create a better wheel.

16 BOARD MEMBER PETERSEN: Okay. We're going to
17 talk to you.

18 MR. FERRAL: All right. Thank you.

19 CHAIRPERSON BROWN: Any other questions?

20 Member Mulé.

21 BOARD MEMBER MULÉ: Madam Chair, I just want to
22 just commend both Allison and Frank. First of all, thank
23 you for making the trip here and giving us the update. I
24 think that was very nice of you to do that. And I have to
25 tell you I think this is a great example of the kinds of

1 partnerships that we want to promote and the model that we
2 want to promote in terms of RMDZ, public/private
3 partnership, and working with our staff.

4 Our staff has been great, I know, in working with
5 you and getting a lot of these programs up and running and
6 looking at opportunities for businesses to locate and/or
7 expand in the area that focus on the recycling or recycled
8 content products. So thank you. Thank you for being
9 here. Thank you for the update. And keep up the good
10 work.

11 MR FERRAL: Sure. And I invite any Board member
12 to come down. I'll facilitate a tour of the loans that
13 have been given out to our community. I can put
14 everything together for you. Maybe even host your next
15 Board meeting. I put that out there as well. Love to
16 have you in our community.

17 CHAIRPERSON BROWN: Great. Thank you very much.
18 I appreciate the offer. We may take you up on that next
19 year.

20 MS. HUDSON: Just in a final note. I'd really
21 like to thank Lisa Berry for her work. She literally
22 brought a -- I hate to admit this -- a not doing much at
23 all RMDZ to over a period of about seven years to the
24 point where we are now. So we really appreciate all of
25 her efforts and her encouragement and just her ability to

1 work with us every step of the way. So thank you, Lisa.

2 CHAIRPERSON BROWN: Great. Thank you very much
3 for that. I'm sure we appreciate that, and I'm sure she
4 does as well. Okay. Thank you for making the trip. I
5 appreciate it.

6 We'll move to Agenda Item 4, Howard.

7 DEPUTY DIRECTOR LEVENSON: Thank you, Madam
8 Chair. Howard Levenson again.

9 Agenda Item 4 is Consideration of the Grant
10 Awards for the Farm and Ranch Solid Waste Cleanup and
11 Abatement Grant Program.

12 Before I turn it over to Scott Walker, Manager of
13 our Remediation, Closure, and Technical Services Branch to
14 make a more detailed presentation, I just want to make a
15 couple comments. First of all, we heard some great
16 presentations this morning on the sustainability side of
17 our mission with respect to Greenseal and procurement and
18 the RMDZ. So now we've got to turn to the other side of
19 the ledger and deal with those people who don't adhere to
20 recycling and putting things away in their proper place,
21 the illegal dumping. That's what the next couple of items
22 are about.

23 As some of you know, in the P&E Committee meeting
24 last week, we had some questions about one of the
25 particular grants in Item 4, couple questions about it

1 that Scott will go over, but also more general question
2 about the issue of reimbursement for activities that have
3 been -- cleanup activities that have been conducted in the
4 past. We'll go into more detail on this. But since that
5 issue covers both Items 4 and 5, I just wanted to indicate
6 that reimbursement is allowed under our regulations.
7 California Code of Regulations Section 17994.2 of Title 14
8 where reimbursement of prior cleanups is specifically
9 allowed under the Farm and Ranch Grants Program provided
10 that certain criteria are met.

11 This regulation had been included by the Board
12 several years ago in order to provide an incentive for
13 innocent property owners to clean up sites early so more
14 dumping would not occur and so that a potential public
15 health and safety threat would not either grow or come
16 into existence. These reimbursement types of grants have
17 been rare, and Scott can provide more details in Agenda
18 Item 5. They typically do receive a lower score than the
19 non-reimbursement grant applications. So we do have a
20 history on this issue.

21 We also have plans to revisit both the Solid
22 Waste Cleanup Programs and Farm and Ranch Program
23 regulations later this year after AB 2211 is taken up and
24 final disposition is made by the Legislature and Governor
25 that deals with the Solid Waste Cleanup Program. So we

1 are planning to come back to you with potential changes to
2 the regulations for both programs. So that's another
3 opportunity to deal with some of these broader issues.

4 But with that background, I'll turn it over to
5 Scott. And he will give you a more detailed presentation
6 on these particular grant applications.

7 BRANCH MANAGER WALKER: Good morning. Scott
8 Walker, Permitting and Enforcement Division. This item
9 provides consideration of award of three grants pursuant
10 to the Farm and Ranch Cleanup Grant Program for the fourth
11 and final cycle of this fiscal year.

12 And again, they had to -- what Howard said, this
13 program provides assistance to farm and ranch property
14 owners through grants to cities, counties, Indian tribes,
15 and Resource Conservation Districts for cleanup of illegal
16 dumping sites where the property owner is not responsible
17 for the dumping.

18 And this program is a major tool for the Board to
19 assist local agencies and innocent property owners in
20 mitigating the problem of illegal dumping in rural areas.
21 For this cycle, we have three applications. The first is
22 Tulare County Resource Conservation District for one site
23 cleanup in the amount of \$48,684. The second is for the
24 Sonoma County Solid Waste Local Enforcement Agency for
25 cleanup of one site again at the limit per site of

1 \$50,000. And then finally, the Humboldt County LEA grant
2 application for 50,000 for one site which is the
3 reimbursement grant application.

4 Staff was directed at the P&E Committee to
5 provide a lot more information concerning the Humboldt
6 County application. So we went back through our files and
7 the information to dig up more on reimbursements in this
8 grant application, and this is what we conclude.

9 And again, Howard mentioned and explained that
10 the program regs specifically allowed for reimbursement,
11 and the intent obviously was to encourage proactive
12 cleanups. And I recall both stakeholders and Board at the
13 time thought this was something that we needed to include
14 in there.

15 We also looked back to see how many of these
16 reimbursement applications have we had. And for a full
17 site cleanup reimbursement, that is for a cleanup of the
18 entire site that was done before and then they're applying
19 for the full amount, we've only had one application for.
20 And that was approved. And that was to Nevada County in
21 fiscal year 02-03 and that was \$2,500. Pretty small
22 project. That year like this year was undersubscribed.

23 However, in addition, we've had two partial
24 reimbursement grants earlier this fiscal year. Mendocino
25 County applied for a \$38,000 grant which we awarded, and

1 \$640 of that was for work that was already done. So that
2 was a partial reimbursement. That was for some activities
3 that they felt were needed up front and to prevent the
4 site to make it so it was less of a problem and that it
5 could be cleaned up reasonably well with remaining funds.

6 We also had another one in fiscal year 00-01 to
7 Kings County which is another year we were not fully
8 subscribed. And that was for one of four sites, probably
9 about \$10,000. We have to look at the grant agreement and
10 the final report more. But that was a \$50,000 grant.

11 So with respect to the Humboldt County grant
12 application, criteria for reimbursement is really specific
13 in terms of the appropriate documentation with receipts.
14 And all that information showed the work was actually
15 performed. And also that there's verification that it was
16 a qualifying site, and the property owner was not
17 responsible for the dumping.

18 One of the things to point out is that the score
19 for the Humboldt County grant was lower than the other two
20 scores, which is above the minimum but lower than the
21 other two scores which really fits with the scoring
22 process and criteria which would down score reimbursement.
23 Under the need category which is 30 points if the site is
24 already cleaned up, they're going to score much lower for
25 financial need and for threat. And so that is the case

1 with the Humboldt County grant application, but they did
2 score above the minimum score.

3 The other thing about the Humboldt County grant
4 was that we did look at the documentation and also the
5 compliance with the criteria, and again we saw the
6 receipts that were appropriately documented and submitted
7 by the LEA from the property owner. Those were correct.
8 And we did look at some additional information and the
9 history of the site, and we can tell you that in 1997 the
10 property owner which was Simpson Timber Company initially
11 reported the illegal dumping site to the LEA, and it was
12 called the Holmes Davis illegal disposal site.

13 In 2002, there was a corporate restructuring.
14 The name changed for the company which was Simpson
15 Resource Company. And then in 2004, there was another
16 restructuring, and it changed the name to Green Diamond
17 Resource Company. The Board of Directors has changed, but
18 it's the property -- the company has been owned by the
19 same family, family-owned company for over 100 years.
20 There's been no property sales that have occurred during
21 the time frame of the application and the cleanup. And in
22 2004, the Green Diamond Company spent over \$64,000 to
23 clean up this site. And they did this directly with the
24 LEA's oversight. The site also remains clean today. So
25 it's been remaining clean, and we verified with the LEA.

1 So the LEA -- we conclude that the LEA has made
2 the appropriate findings and that the property owner has
3 been appropriately determined to not be responsible for
4 the dumping. And again as Howard said, we are planning to
5 bring back the implementing regulations, and this would be
6 a good opportunity to revisit the reimbursement option
7 amongst other aspects of the program. And in addition,
8 the next item, the scoring process item we can talk a
9 little further about how reimbursements fit with that and
10 how their scores are going to be lower than the others.

11 So in conclusion, staff conclude that the three
12 applications meet program criteria, and we recommend that
13 the Board adopt Resolution 2006-97 to approve the
14 recommended grant awards. And staff are available to
15 answer questions.

16 CHAIRPERSON BROWN: Thank you, Scott.

17 Do we have any questions from Board members?

18 BOARD MEMBER PEACE: I just have a couple. So
19 when did Green Diamond Resource Company start coordinating
20 with the County for the cleanup?

21 BRANCH MANAGER WALKER: Well, the cleanup
22 activities were completed in 2004. And so the Green
23 Diamond Company in 2004 worked directly with the LEA on
24 that cleanup. The prior corporate entity worked with the
25 LEA as early as '97 in terms of reporting and addressing

1 the illegal dumping at that site.

2 BOARD MEMBER PEACE: If the illegal dumping was
3 such a threat to Jacoby Creek, why did it take from 1997
4 to 2004? Why it take seven years to get it cleaned up?

5 BRANCH MANAGER WALKER: As I understand it,
6 according to the LEA, there were efforts and discussions
7 and et cetera that were done to try to facilitate the
8 site. I understand that, as with many of these illegal
9 dumping sites, they took considerable time to try to get a
10 handle on it, where it is, how much is there, who's doing
11 it. And while, you know, we look back on the record and
12 one could certainly look at it and say maybe we should
13 have tried something a little different strategy to get it
14 done earlier, at that time it did take until 2004 to get
15 it cleaned up.

16 BOARD MEMBER PEACE: Why did it take from then
17 until two years after it was cleaned up to apply for the
18 grant?

19 BRANCH MANAGER WALKER: Actually, one point I'd
20 like to add is they actually applied last year for the
21 reimbursement. And they didn't -- since we were fully
22 utilized last year, they didn't meet a sufficient score to
23 compete. So they did inquire last year for grant funding.
24 And so that would be year 2004-2005. So that's in a
25 general vicinity of when they completed the cleanup.

1 BOARD MEMBER PEACE: Like I say, I guess I really
2 still have some problems with this, even though you say it
3 meets the program criteria. Personally, I don't feel it
4 meets the intent of the law to pay for cleanups on
5 property when the property owner is perfectly capable of
6 paying for it themselves. So I'm not comfortable with
7 this one in particular. So I don't have any problem with
8 the other two. Is there any way for me to vote for the
9 other two but not for that one?

10 CHAIRPERSON BROWN: I think we'll have to refer
11 that to legal. Holly.

12 STAFF COUNSEL ARMSTRONG: Holly Armstrong from
13 the Legal Office.

14 Unfortunately, no. The Board is presented with
15 the slate of grants that are recommended by the staff.
16 And the options that are presented to you are to either
17 accept all of the recommendations by staff or to reject
18 them. So you can reject the whole cycle or you can adopt
19 and award all three of the grants.

20 BOARD MEMBER PEACE: So the only way to get
21 around that is from now on to have a separate Resolution
22 for each one? How would you get around that if somebody
23 didn't want to vote for one?

24 STAFF COUNSEL ARMSTRONG: Well, it's not part of
25 our process at this point. So we would have to review the

1 scoring process and the means in which we present items to
2 the Board.

3 BOARD MEMBER PEACE: I just don't understand we
4 can't take out one and have a different Resolution,
5 but whatever.

6 CHAIRPERSON BROWN: Thank you, Holly.
7 Okay. Do we have any other questions?
8 Member Wiggins.

9 BOARD MEMBER WIGGINS: Well, unless we have a
10 Board member from Tulare County, I would like to move
11 adoption of Resolution 2006-97.

12 BOARD MEMBER MULÉ: Second.

13 CHAIRPERSON BROWN: It's been moved by Member
14 Wiggins and seconded by Member Mulé.

15 Kristen, can you call the roll?

16 EXECUTIVE ASSISTANT GARNER: Danzinger?

17 BOARD MEMBER DANZINGER: Aye.

18 EXECUTIVE ASSISTANT GARNER: Mulé?

19 BOARD MEMBER MULÉ: Aye.

20 EXECUTIVE ASSISTANT GARNER: Peace?

21 BOARD MEMBER PEACE: No.

22 EXECUTIVE ASSISTANT GARNER: Petersen?

23 BOARD MEMBER PETERSEN: Aye.

24 EXECUTIVE ASSISTANT GARNER: Wiggins?

25 BOARD MEMBER WIGGINS: Aye.

1 EXECUTIVE ASSISTANT GARNER: Brown?

2 CHAIRPERSON BROWN: Aye.

3 Thank you.

4 BOARD MEMBER PEACE: In terms of the Farm and
5 Ranch cleanup, you've stated -- last year I guess they
6 were fully subscribed. But there's been other years when
7 they haven't been fully subscribed and this year also.

8 I'm just wondering if has staff thought about --
9 because we get some money from the IWMA, some money from
10 the Tires. I realize next year Tires is going up and Oil
11 will be going down from the amount of money they gave.
12 But since most of the cleanup seems to deal with more
13 garbage and tires and not oil, and since the fund for oil
14 really seems to be going down, has staff thought about or
15 maybe at some point taking out how much money -- taking
16 out all together the part that comes from the Oil Fund and
17 just having it be from the IWMA and the Tires?

18 CHAIRPERSON BROWN: Actually, Mark, would you
19 answer that question?

20 EXECUTIVE DIRECTOR LEARY: We have considered it,
21 Member Peace and Board members. I don't know that we've
22 reached a final conclusion. I don't know that we're ready
23 to go that aggressively toward a shifting the fund. We
24 thought this moderate step in the first place would be the
25 right way to proceed at least initially. If it's the

1 Board's direction to reconsider that, we certainly could
2 do that. But I think with the reduction as currently
3 proposed for next year, we thought that was enough relief
4 for the oil fund to carry us into the future.

5 BOARD MEMBER PEACE: The reduction of the Oil
6 Fund, we still leave it at a million dollars. It's still
7 basically a million dollars, which maybe is too much if
8 it's usually undersubscribed. I know that people from the
9 Tire Division -- I mean the Oil Division would kind of
10 like to see their -- not have to put in so much from the
11 Oil side.

12 CHAIRPERSON BROWN: That probably -- the next
13 fiscal year is already determined in our budget. So it's
14 something that we could discuss in the fall in our
15 preparation for the following fiscal year budget. At this
16 point, we can't make any changes or determinations about
17 which funds provide allocations to the Farm and Ranch
18 cleanup. So we can discuss it in the fall for next what
19 the allocation is.

20 Howard, did you have any additional comments?

21 DEPUTY DIRECTOR LEVENSON: I would certainly
22 agree with what you just stated, Madam Chair.

23 Just add on, since there is some funding left
24 from this year, that will remain in the fund in a special
25 sub-account for the Farm and Ranch Cleanup, which means

1 that proportionately less will be transferred next fiscal
2 year 06-07 from the three funds so it will be actually --
3 more of those funds in those three accounts will stay in
4 those accounts for 06-07.

5 CHAIRPERSON BROWN: Thank you for clarifying
6 that.

7 Okay. We now will move to Agenda Item 5,
8 Consideration of the Scoring Criteria. Howard.

9 DEPUTY DIRECTOR LEVENSON: Well, I think I'll
10 turn it over to Scott. This is Consideration of the
11 Scoring Criteria and Evaluation Process for the Farm and
12 Ranch Solid Waste Cleanup and Abatement Grant Program.
13 And obviously we will be talking a little bit about
14 reimbursement and how that fits into the scoring criteria.

15 BRANCH MANAGER WALKER: Thank you. Scott Walker,
16 Permitting and Enforcement Division.

17 Item 5 recommends three minor changes to update
18 the scoring criteria and evaluation process for the Farm
19 and Ranch Cleanup and Abatement Grant Program. And this
20 is an item we come back to the Board every other year like
21 all the other grant programs for the scoring process that
22 we use. We've done this four times before. This is the
23 fifth. So we try to update the process to see if we can
24 tweak things, make it a little more efficient and so be
25 it. So what we had here was several minor changes that we

1 were recommending.

2 The P&E Committee raised a concern over one of
3 those changes, and this was to allow applicants to
4 self-certify a recycled content purchasing policy. This
5 change is not significant. It only reduces slightly the
6 burden and paperwork for applicants and staff. It doesn't
7 materially change the fact that this program is a grant
8 program that's required to comply with the Board-wide
9 policy on recycled content purchasing policy. The
10 preference scores for those policies are retained, and it
11 is maintained in accordance with the Board-wide policy
12 that was adopted June of 2002.

13 This change was already approved by the Board in
14 September of 2005 for the Tire-Derived Product Grant
15 Program. So Farm and Ranch Program staff looked at that,
16 and they thought that was something that the Tire Program
17 did that we thought would help a little bit. So we just
18 basically were carrying that over in this recommendation.

19 And again, as I discussed, I would talk a little
20 more about the scoring process and how it effects
21 reimbursement grants. Also that we are going to bring the
22 regs back in the fall to open it up again for more
23 substantive changes.

24 So in conclusion, staff would recommend the Board
25 adopt Resolution 2006-98 to approve the scoring criteria

1 and evaluation process for the Farm and Ranch Solid Waste
2 Cleanup and Abatement Grant Program for fiscal year
3 2006-2007 and 2007-2008. Staff are available to answer
4 questions.

5 CHAIRPERSON BROWN: Thank you, Scott.

6 Do we have any questions from Board members?

7 BOARD MEMBER PEACE: Did you say you're coming
8 back in the fall to review the regulations and see if
9 there needs to be any changes in terms of reimbursement?
10 We can talk then about -- we can do anything about not the
11 need in terms to public health and the environment, but in
12 terms of financial need, can that be something we can
13 discuss?

14 DEPUTY DIRECTOR LEVENSON: That would be an issue
15 we can put on the plate for discussion. What we could
16 after -- assuming AB 2211 is passed and signed by the
17 Governor, after that, we would come back to the Committee
18 with seeking direction to start the rulemaking. And
19 typically, we would start that with stakeholders meetings
20 and have a list of issues that would be included and
21 discussed. And certainly that could be one of the issues
22 that's included in that effort.

23 BOARD MEMBER PEACE: So if we do decide to
24 discuss that financial need issue and it's not in the
25 scoring criteria, does that mean we couldn't change it

1 until --

2 DEPUTY DIRECTOR LEVENSON: That would be another
3 venue depending on the Board's direction. We could look
4 at the need -- there's a category if you look at the
5 attachment, the very first category is called need. And
6 it certainly could be possible to either by Board
7 Resolution today or by some other kind of wording to
8 address concerns about the reimbursement issue, if that's
9 the sense of the Board.

10 BOARD MEMBER PEACE: But we need to do it today
11 to change it for '07 and '08, even though you've changed
12 the regulations and go through regulatory change in the
13 fall. Say going through the regulatory change in the fall
14 we decide to put in more about financial need --

15 DEPUTY DIRECTOR LEVENSON: If we went down the
16 regulatory path, that would be something we would be
17 starting informally later this year. And given the way
18 the reg process works, we couldn't be coming back to the
19 Board for formal adoption until sometime later in 2007
20 would be more realistic.

21 You also certainly could direct us to make some
22 changes in scoring criteria as part of this item. I would
23 request if the Board does want to pursue that, and we can
24 get a sense of the Board that rather than having this
25 continue to next month and having another agenda item,

1 that perhaps we can be given a little time to take a time
2 out and come back with some potential language later on.
3 But that would depend on your direction.

4 CHAIRPERSON BROWN: I don't think it will be
5 continued. I don't know if it's necessary to continue
6 this item to next month. Your question was if we adopt
7 this criteria today, the effective changes regardless of
8 when we start the rulemaking process will not take effect
9 until 2008.

10 BOARD MEMBER PEACE: They make it sound like it
11 wouldn't take effect anyway because the rulemaking process
12 takes so long. So I guess I'm maybe the only one that has
13 a problem with wanting to see something more here in terms
14 of points for financial need. Does anybody else have that
15 concern?

16 CHAIRPERSON BROWN: I don't know. Member
17 Wiggins, I don't know if her comment answers your
18 question. But let's defer to her and then we can --

19 BOARD MEMBER WIGGINS: I have a different
20 question if you want to continue with that. Mine is about
21 the self-certifying and the evidence of the policy.

22 CHAIRPERSON BROWN: Okay. Does anybody have any
23 comment or answer to Cheryl's question?

24 I'm fine with the scoring criteria as it is
25 stipulated in the agenda item. I think that, you know,

1 the fact that we score reimbursement at the lowest level
2 and they're not eligible unless every other grant is met
3 is sufficient in my mind, and this need category is
4 sufficient.

5 BOARD MEMBER PEACE: That addresses the
6 reimbursement question. But I guess to me it's a question
7 of these multi-million dollar companies that can perfectly
8 pay for the cleanups themselves. And why are we paying
9 for the cleanup. That's why I guess I would kind of like
10 to see something in here more points for those that have
11 financial need.

12 CHAIRPERSON BROWN: I don't think that there is
13 consensus on the Board that there is enough to change the
14 direction of staff recommendation at this time.

15 So Member Wiggins.

16 BOARD MEMBER WIGGINS: Yes. I have an issue with
17 the self-certifying a recycled content purchasing policy
18 that's in place. This is on page 1 opposed to requiring
19 submittal of the document. And yet on the scoring
20 criteria for through 2007-2008, it says evidence of a
21 recycled content purchasing policy or directive provide
22 evidence that our agency organization has a policy and is
23 committed. So how do you have evidence of a policy when
24 you self-certify?

25 BRANCH MANAGER WALKER: In that, essentially with

1 the self-certification, what that applicant is essentially
2 under penalty of perjury stating that essentially they
3 have a policy in place. Or in the scoring process, it
4 allows -- essentially what it does is allow -- if an
5 applicant has the policy, it's 15 points. If they don't,
6 it's zero. If they can show that they can get it within a
7 month, they can get ten. The self-certification
8 essentially under penalty of perjury with staff --

9 BOARD MEMBER WIGGINS: Can you back up just a
10 minute? What do you mean if they can get it within a
11 month, they get ten points?

12 BRANCH MANAGER WALKER: That option which is very
13 rare to see -- I'm not aware it's ever been utilized --
14 essentially gives the applicant some ability to go above
15 and beyond if they are actively getting the policy in
16 place. And that may include a number of options. I mean,
17 there have been some cases as I understand it in some
18 grants where there have been proposed policy for the Board
19 of Supervisors or City Council.

20 But the way the scoring works is essentially if
21 this change goes, the applicants can self-certify. If
22 they self-certify under penalty of perjury, then they can
23 have an opportunity of getting 15 points. Now staff has
24 various mechanisms which we can verify that whether or not
25 they have them, and we have a very good record of who has

1 those policies and who doesn't, so that we would do that
2 to ensure that that's met.

3 BOARD MEMBER WIGGINS: A policy means that either
4 the Board of Supervisors or the Council voted for the
5 policy?

6 BRANCH MANAGER WALKER: Essentially, governing
7 body would adopt a policy in some form such that it would
8 meet the Board-wide grant requirements for such policy.

9 BOARD MEMBER WIGGINS: So basically it's under
10 penalty of perjury if they self-certify that they have a
11 policy in place. So they can get in big trouble if they
12 self-certified and they didn't have a policy? Why can't
13 we just get a copy of the policy?

14 BRANCH MANAGER WALKER: Well, in staff's view,
15 the fact that this is essentially the Farm and Ranch
16 program for one thing you normally deal with, you know,
17 it's cleanup and enforcement. These are -- government
18 employees are typically not directly involved in a lot of
19 the recycled content purchasing. They're subject to the
20 policy. So what we found is some applicants, they've had
21 some -- to go through a lot of extra work to dig up the
22 policy from the entity that is in charge of it. And
23 whereas, other programs such as the Tire Grant Program
24 that it was approved for, it may be a little more
25 specifically important in that grant for such a policy to

1 be actually part of the application, but not really with
2 the Farm and Ranch Program and the type of grantees that
3 we work with.

4 And so based on that, we felt that this would be
5 something that can make marginally more efficient the
6 applications, not materially effect whether or not these
7 policies would come into effect. But again, you know,
8 this is in staff's view a minor change. The Board could
9 decide they don't want that change and they want
10 applicants to submit the policy as we have the previous
11 scoring criteria.

12 So we are proposing it. And certainly the Board
13 can tell us no, you know, go back to the other, to the
14 previous policy or scoring process that we continue to get
15 it. We can do that. But we feel it is assistance to the
16 applicants, helps them a little bit. And it's something
17 the Board has approved before. And we feel it would be
18 reasonable and appropriate to include it in this updated
19 scoring process.

20 BOARD MEMBER WIGGINS: I just don't understand
21 why it's too much trouble for staff to find the policy and
22 present the policy.

23 BOARD MEMBER DANZINGER: Do we ever audit these
24 folks? Do we ever audit grant recipients and as part of
25 an auditing or looping back to them, they have to produce

1 this stuff?

2 BRANCH MANAGER WALKER: We would defer to the
3 Grants administration unit on the auditing of the grants.

4 CHAIRPERSON BROWN: Mark, can you respond to the
5 question directly?

6 DEPUTY DIRECTOR LEE: I think this is a pretty
7 straightforward effort to streamline the application
8 process. If Board doesn't like it, we can certainly
9 delete it.

10 The requirement of the grant is that they provide
11 a policy or in this case self-certification to that
12 policy. We don't really have any effort to audit
13 grantees. If they provided us a copy of the policy and
14 all we require was they provide us a copy of the policy
15 and we have the policy, that was sufficient. So I don't
16 know that we've done any follow up in that regard. This
17 really again in the spirit of staff, this is just a minor
18 effort to streamline the application process. We don't
19 have to have it. Just a suggestion.

20 CHAIRPERSON BROWN: Okay.

21 CHAIRPERSON BROWN: Does that sufficiently answer
22 your questions?

23 BOARD MEMBER WIGGINS: No. I'm going to abstain
24 from voting if we don't have an adopted policy in place.

25 CHAIRPERSON BROWN: Member Mulé, comment.

1 BOARD MEMBER MULÉ: Madam Chair, thank you.

2 I just want to simplify this for all of us. And
3 I think that's what Mark is trying to say is, first of
4 all, we are trying to make our grants processes as
5 consistent as possible throughout all of our grant
6 programs, number one.

7 Number two, I believe that this policy does not
8 preclude our staff from requesting a copy of the
9 procurement policy if needed. We have that option to do
10 so.

11 So I think that we -- you know, I understand that
12 Board Member Wiggins has a concern here. But I really
13 think that, you know, it's really something that we can
14 handle via -- if we need to, we can ask for a copy of that
15 procurement policy. And again, they are certifying under
16 penalty of perjury. So there will be consequences if we
17 do find out they don't have a policy.

18 So with that, if there's not any other comments,
19 I am ready to move this Resolution.

20 CHAIRPERSON BROWN: Just a minute. Do we have
21 any other comments?

22 Can I have a motion now?

23 BOARD MEMBER MULÉ: I'd like to move Resolution
24 2006-98.

25 BOARD MEMBER PETERSEN: I'll second that.

1 CHAIRPERSON BROWN: It's been moved by Member

2 Mulé and seconded by Member Petersen.

3 Mitch, did you have a comment on this item?

4 Kristen, can you call the roll?

5 EXECUTIVE ASSISTANT GARNER: Danzinger?

6 BOARD MEMBER DANZINGER: Aye.

7 EXECUTIVE ASSISTANT GARNER: Mulé?

8 BOARD MEMBER MULÉ: Aye.

9 EXECUTIVE ASSISTANT GARNER: Peace?

10 BOARD MEMBER PEACE: I hope my concerns regarding

11 the reimbursement of financially can be adopted in the

12 fall then when we consider updating and revising the

13 implementing regulations, so I'll vote aye.

14 EXECUTIVE ASSISTANT GARNER: Petersen?

15 BOARD MEMBER PETERSEN: Aye.

16 EXECUTIVE ASSISTANT GARNER: Wiggins?

17 BOARD MEMBER WIGGINS: Abstain.

18 EXECUTIVE ASSISTANT GARNER: Brown?

19 CHAIRPERSON BROWN: Aye.

20 We will move to 7, Consideration of a Contract

21 for Assessment of Landfill Gas Monitoring.

22 DEPUTY DIRECTOR LEVENSON: Thank you, Madam

23 Chair. And I will provide a very short presentation on

24 this. John Bell, who is the staff person responsible for

25 this, had some emergency surgery over the weekend. He's

1 doing okay. He's back at home and probably be out this
2 week. But he should be back full speed hopefully next
3 week. So I'll be the substitute today on this item. And
4 I'll make it short.

5 This item requests that the Board consider and
6 approve a contractor to assess landfill gas monitoring
7 wells as its primary task. Specifically, this contract
8 will assist and assess the viability of existing landfill
9 gas parameter monitoring systems to detect lateral gas
10 migration. Also some of the data from this will be used
11 to assist the California Energy Commission in refining its
12 greenhouse gas emission models for landfills, which we are
13 involved in other ways with the Energy Commission and
14 working on.

15 The final report would be due to the Board's
16 contract manager by the summer of 2007. So this contract
17 would address a primary health and safety issue, and it
18 would implement activities that are included in the
19 Board's Technology Assessment Action Plan and feed into
20 the work of the Climate Action Team.

21 The Board approved the Scope of Work for this
22 contract at its January 2006 meeting. We then implemented
23 a competitive bid process to determine the best qualified
24 firm for the proposed project. We received one proposal
25 only, and this was still evaluated based on its technical

1 merits. The proposal passed, and we were not able to
2 provide the name of the contractor at the P&E meeting
3 because of State noticing requirements. But now we are
4 able to do that.

5 The proposal was submitted by Sterns, Conrad, and
6 Schmidt, Consulting Engineers, Incorporated, otherwise
7 known as SCS Engineers. So with that, we recommend that
8 the Board select Option 1 approving Sterns, Conrad, and
9 Schmidt Consulting Engineers, Inc., dba, SCS Engineers as
10 contractor for the assessment of landfill gas monitoring
11 well viability and its effect on greenhouse gas emissions
12 and that you approve Resolution 2006-100.

13 Now we will -- that will be revised subsequent to
14 the Board meeting to include the contractor name. So that
15 will be -- the final Resolution will include that.

16 CHAIRPERSON BROWN: Okay. Thank you, Howard.
17 Member Wiggins.

18 BOARD MEMBER WIGGINS: I'm not following. We
19 don't have the contractor name in any of our documents?

20 DEPUTY DIRECTOR LEVENSON: Correct. We were not
21 able to post this in the agenda item that was at the P&E
22 meeting. We were not able to disclose that name until
23 late last week. So we are proposing that we simply revise
24 the Resolution this afternoon to include that name.

25 BOARD MEMBER WIGGINS: This afternoon meaning --

1 DEPUTY DIRECTOR LEVENSON: After the Board
2 meeting.

3 BOARD MEMBER WIGGINS: Do you have the name?

4 CHAIRPERSON BROWN: We have the name now.

5 DEPUTY DIRECTOR LEVENSON: The name of the
6 contractor is Sterns, Conrad, and Schmidt, Consulting
7 Engineers, Incorporated, doing business as SCS Engineers.
8 So that would be included in the revised Resolution.

9 BOARD MEMBER WIGGINS: And they get 155,000?

10 DEPUTY DIRECTOR LEVENSON: That's correct.

11 BOARD MEMBER WIGGINS: Okay.

12 CHAIRPERSON BROWN: Howard, why would we not
13 revise -- or maybe I'll refer this to legal. Why would we
14 not vote on a revised Resolution now with the name of the
15 contractor on it?

16 STAFF COUNSEL BLEDSOE: Madam Chair, Michael
17 Bledsoe from the Legal Office.

18 We certainly can do that if Howard has the
19 language to insert, and it's probably just the name of the
20 contractor.

21 CHAIRPERSON BROWN: There's a little line on my
22 resolution.

23 DEPUTY DIRECTOR LEVENSON: Simply a reflection of
24 Howard not paying attention to the need for a Revised
25 Resolution and --

1 CHAIRPERSON BROWN: No. You didn't have one to
2 supply to the Board. That's okay, Howard. You're doing a
3 very good job of substituting.

4 DEPUTY DIRECTOR LEVENSON: So the Revised
5 Resolution would read, if you look at your Resolution, the
6 last whereas would be, "staff implemented a competitive
7 bid process and reviewed and evaluated one proposal." And
8 then the "now therefore be it resolved that this Board
9 hereby approves," go back to the name --

10 CHAIRPERSON BROWN: Sterns, Conrad, and Schmidt.

11 DEPUTY DIRECTOR LEVENSON: Thank you.
12 "Consulting Engineers, Incorporated dba, SCS Engineers, as
13 the contractor for the assessment."

14 BOARD MEMBER WIGGINS: Madam Chair, I would like
15 to have the Revised Resolution to vote on. So we can hold
16 off.

17 CHAIRPERSON BROWN: We can hold this agenda item
18 until this afternoon, and then we can vote on it.

19 Do we have any other discussion at this time?
20 Then we can just take it up directly for a vote. Okay.
21 We'll put this over to this afternoon after our lunch
22 recess and vote at that time and we'll have a motion on
23 the revised agenda.

24 Okay. Now we move to Agenda Item 13. John Smith
25 and Nancy Carr, or Lorraine.

1 (Thereupon an overhead presentation was
2 presented as follows.)

3 ACTING DEPUTY DIRECTOR VAN KEKRIX: Good morning,
4 Board members. I'm pleased to have the opportunity today
5 to bring you the results of the latest targeted waste
6 characterization study. The title of our item is Oral
7 Presentation of the Results of the 2005 Targeted Statewide
8 Waste Characterization Study, Fiscal Year 2003/2004, BCP
9 #2, Update Statewide Waste Characterization.

10 This is the most complex characterization study
11 the Board has done to date, and we have information on
12 four separate detailed studies that we will be presenting
13 to you. This required very careful planning and
14 coordination, and the presentation today will be by
15 several key personnel: Nancy Carr and Tom Rudy of our
16 Board staff who are Waste Characterization Specialists;
17 Charlie Scott, our principle contractor and principle with
18 Cascadia Consulting Group who has done characterization
19 work throughout the United States; and Paul Johnson, our
20 subcontractor for the material recovery facility portion
21 of the study works for our R.W. Beck and has also done
22 extensive characterization work.

23 So I'm going to turn this presentation over to
24 Nancy Carr to get started for us.

25 MS. CARR: Thank you. Good morning, Madam Chair

1 and Board members. I'm going to give you some brief
2 background to kind of jog the memories on waste
3 characterization and to set the stage for the result we
4 will be presenting to you today.

5 --o0o--

6 MS. CARR: First of all, it's important to know
7 what is waste characterization. And simply, it's
8 collecting data on the types and amounts of material in
9 the waste stream, how much paper, food, glass, metal is
10 there.

11 --o0o--

12 MS. CARR: And of course, the information is
13 needed to plan diversion programs and waste management
14 strategies. You need to know not only what is in the
15 waste stream but where it came from.

16 --o0o--

17 MS. CARR: The Board has done several waste
18 characterization studies during the past few years, and
19 the data from these studies has been used in various ways.
20 One of the most important uses is the waste
21 characterization database which can be used to provide
22 information to jurisdictions, businesses, and schools on
23 what materials are in their waste streams. Also in the
24 past, waste characterization studies have provided data to
25 calculate the rigid plastic packaging recycling rate as

1 was required by statute.

2 In the previous study done in 2003, we collected
3 information on the amounts of e-waste in the waste stream
4 for the first time, so that set a baseline for those
5 materials. And we also broke the film plastic waste
6 stream down into five specific types so we could look at
7 that detail in a lot more detail.

8 Data from the 2003 study was recently presented
9 at the emerging technologies forum here in Sacramento in a
10 session on feedstocks for those technologies from the
11 waste stream. Also several years ago waste
12 characterization data was used to respond to a proposed
13 ruling by the South Coast Air Quality Management District
14 that would have effected composting operations in Southern
15 California.

16 And the goals of our studies are always to
17 provide information that helps support local
18 jurisdictions' diversion efforts and also provide a base
19 of information for policy decisions.

20 --o0o--

21 MS. CARR: So now a little brief history of the
22 studies that the Board has done. Our first statewide
23 study was done in 1999, and we got overall data on how
24 much waste comes from the three main sectors: The
25 residential sector, which is single family and

1 multi-family housing; the commercial sector, which is
2 businesses, industries, and institutions; and the
3 self-haul sector, which is people that just bring their
4 own waste to the landfill that aren't professional
5 haulers.

6 For the residential and self-haul sectors, we
7 sampled landfill to get general overall composition data.
8 But that study really focused on the commercial sector.
9 We looked at the commercial sector in detail by sampling
10 from over 400 individual businesses and developing waste
11 profiles for 26 different industry types.

12 We put that data into our web database that I
13 mentioned on the last slide that's used by jurisdictions
14 and businesses in California, but it's also been looked at
15 as a model by other states and also by Canada as a
16 national model. So that was a pretty landmark study in
17 1999.

18 In 2001, the Board recognized that periodic
19 studies would be needed since the waste stream changes
20 over time. So that was specified in the Board's Strategic
21 Plan. And that plan was fulfilled in the next statewide
22 study, which was done in 2003. And that study helped form
23 the direction of the current studies we'll be talking
24 about today. So I'm going to review some of the overall
25 results of that study.

1 --o0o--

2 MS. CARR: So in 2003, as with 1999, we got the
3 statewide percent of waste disposed from each sector,
4 which I'll show you in the next slide. And we also have
5 disposal composition profiles for each individual sector.
6 So for the commercial sector, this time we did it as a
7 whole, because the budget did not allow the specific
8 individual business sampling that we did in 1999. So we
9 have more general information for the commercial sector.

10 The residential sector we have separate data for
11 single family and multi-family sources. And for the
12 self-haul sector, we have separate data for commercial
13 self-haulers and residential self-haulers. And then we
14 put all of that data together to come up with the overall
15 statewide waste composition.

16 --o0o--

17 MS. CARR: So this slide shows the breakdown
18 between the three sectors. About half comes from
19 commercial sources, about 30 percent from residential, and
20 about 20 from self-haulers.

21 --o0o--

22 MS. CARR: And this slide shows the overall
23 disposed waste composition for 2003. And as you can see,
24 organic materials contribute the largest fraction at about
25 30 percent, and that includes food waste and yard waste

1 and other things. Construction and demolition materials
2 are next at about 22 percent, and paper is a close third
3 at 21 percent.

4 --o0o--

5 MS. CARR: Well, before we were even through with
6 the 2003 study, funding was approved for the next study.
7 And since it didn't really make sense to repeat a study
8 like the 2003 study so soon, and since we had a larger
9 budget this time, we decided to do targeted studies on
10 certain important parts of the waste stream instead of the
11 general update we did in 2003. So we surveyed the Board,
12 staff, local government representatives, and consultants
13 in the field on data needs and ideas for the studies. And
14 now Tom Rudy is going to talk about the targets that we
15 choose and the objectives of each of the studies.

16 --o0o--

17 MR. RUDY: Good morning, Madam Chair and members
18 of the Board. I'm Tom Rudy from the Waste Analysis
19 Branch. And I want to give you some background about the
20 study by way of description of the four separate tasks
21 that we were involved in this study.

22 --o0o--

23 MR. RUDY: As Nancy stated, our polling of the
24 various Board staff and jurisdiction representatives and
25 consultants resulted in our focusing on four distinct

1 waste streams. First, we knew we needed to update our
2 commercial waste stream data, so we selected certain
3 industry groups that we thought would be representative of
4 all the jurisdictions within the state.

5 Next, residuals from MRFs is a waste stream that
6 has never been examined before, and we knew we really
7 needed to know that stuff. Additionally, with the
8 building boom seeming to expand exponentially here in
9 California, we knew the construction and demolition waste
10 stream needed to be better understood.

11 And finally, many jurisdictions were concerned
12 that the increase in commercial self-haul waste stream was
13 in fact hindering their attainment of reaching their
14 mandated goal of 50 percent diversion.

15 --o0o--

16 MR. RUDY: Previous studies had sampled areas
17 encompassing the entire state from Eureka all the way down
18 to Chula Vista and everywhere in between. This time, we
19 tried to focus on the four major metropolitan areas in the
20 state: San Diego area, Southern California and the L.A.
21 Basin, the San Francisco Bay Area, and the northern end of
22 the San Joaquin Valley, which we call the central valley.

23 These four areas comprise over 70 percent of the
24 total disposed waste stream in the state. The field work
25 was coordinated when possible so that the four tasks that

1 we could combine schedules and sampling locations in order
2 to ensure economy of efforts. For example, the C&D waste
3 stream was sampled at the same time as the self-haul and
4 drop box waste stream was, same site, same time. And of
5 course, data was collected over two seasons so we could
6 get representative numbers of winter of wet season or
7 summer of dry season.

8 --o0o--

9 MR. RUDY: Let me spend a little bit of time here
10 describing the objectives of each of these tasks, and I'll
11 start with the selected industry groups.

12 --o0o--

13 MR. RUDY: As we did in the 1999 study, we took
14 disposal samples at the source at the businesses
15 themselves, but this time we added a few new twists.
16 Rather than trying to collect representative samples from
17 all our identified 26 business groups, we chose those that
18 we thought were the most important, that is those with
19 high disposal quantities and high potential for diversion.
20 In addition to collecting the disposal composition, we
21 also did complete waste audits on these businesses and
22 ended up obtaining complete diversion data. This is data
23 that we never had on business types before.

24 Finally, where necessary, we adjusted the
25 industry groups to reflect varying waste streams. For

1 example, restaurants we broke down into two categories,
2 sit down and fast food. Similarly with the advent of the
3 so-called big box stores, we thought it would be best if
4 we took the retail side and broke that down into big box
5 stores and other types of stores. Of course, this data
6 will be incorporated into our online waste
7 characterization database, which is used not only by
8 jurisdictions, but as Nancy mentioned, other states around
9 the nation and other nations around the world.

10 --o0o--

11 MR. RUDY: The next task involved the
12 characterization and quantification of MRF residuals. And
13 it was in and of itself extremely important simply because
14 we've never done anything like this before. If you add in
15 the search for potential feedstocks for emerging
16 technologies and the desire to find innovative
17 marketplaces to reduce the disposal going to landfills,
18 the study and understanding of MRF residuals could become
19 a very critical cog in the wheel as we drive towards zero
20 waste.

21 --o0o--

22 MR. RUDY: We divided the MRFs into four
23 different types: Single stream processing material. That
24 is where they throw all the recyclables in one bin at the
25 source. Multi-stream material processors, that could be

1 dual stream if you have a container that the left side is
2 paper and the right side is containers or if you have
3 multiple bins, one for paper, one for glass, one for
4 plastics, et cetera. We also looked at mixed solid waste
5 facilities where they actually just pull stuff out of a
6 regular garbage. And finally, facilities that process
7 only C&D materials.

8 And our objectives here was two-fold. We wanted
9 to obtain detailed composition of residuals for each of
10 the four types of MRFs as well as overall MRF residual
11 streams. And we wanted to estimate the total tonnage of
12 residuals for each of these types of MRFs statewide.

13 --o0o--

14 MR. RUDY: As I stated earlier, the apparent
15 building boom taking place in California over the last
16 several years prompted us to take a closer look at this
17 particular waste stream. Though we have much data on C&D
18 material types that are being disposed from all the
19 different sectors, we didn't have a good handle on what
20 types of materials and how much are coming from strictly
21 C&D activity. So we wanted to check that out.

22 --o0o--

23 MR. RUDY: We divided the construction and
24 demolition waste stream into seven sub-sectors looking at
25 both residential and new construction and remodeling;

1 demolition only activity, roofing activities, and
2 non-specific other category that involved such things as
3 road repair and bridge reconstruction and those types of
4 things. Again, our objectives were to characterize the
5 disposed waste from these sources and to estimate the
6 tonnage that is disposed in urban areas by each of these
7 activities.

8 --o0o--

9 MR. RUDY: As part of that C&D portion, we wanted
10 to develop a visual characterization method, a visual
11 protocol, if you will, that not only Board staff but staff
12 from jurisdictions could use to evaluate their own C&D
13 waste stream. The protocol consists of a book that offers
14 step by step guide to conducting a visual characterization
15 on C&D loads. It includes lists of required equipment and
16 safety gear, sample forms for tracking loads and recording
17 data, a list of material definitions and even a training
18 aid to help you learn how to estimate the amounts of
19 materials in a particular C&D load.

20 The package along with this is going to be a
21 guide, a calculation tool the jurisdiction can download
22 from our website. And after they have entered all their
23 sample data into the calculator, press one button and get
24 a complete statistical estimate of their material
25 composition of their C&D waste stream.

1 --o0o--

2 MR. RUDY: The increase in the commercial and the
3 self-haul disposed waste stream was identified by many
4 jurisdictions, as I said before, as being a hindrance in
5 their attaining the mandated 50 percent diversion rate.
6 So we added this waste stream to our targeted list.

7 --o0o--

8 MR. RUDY: The commercial self-haul drop box
9 waste streams as we defined for this portion of the study
10 specifically excluded C&D material types and the C&D waste
11 stream and activities. Those activities were covered in
12 the previous portion. What it did include was waste haul
13 to disposal facilities by commercial entities whose
14 primary job is something other than hauling waste.

15 For example, a landscaper who takes his pruning
16 and trimmings to the landfill would be in this category.
17 Similarly, a mattress retail outlet that collects the used
18 mattresses and takes them to the disposal site would also
19 fit this category. Again, with the C&D portion they're --
20 just as with the C&D portion, our objectives were to
21 characterize the disposed waste for these sources and to
22 estimate the tonnage disposed in the four urban areas by
23 these sources.

24 --o0o--

25 MR. RUDY: Now I'd like to introduce Charlie

1 Scott, the principal of Cascadia Consulting Group, who
2 will cover the results of this study.

3 CHAIRPERSON BROWN: Thank you, Tom.
4 Welcome.

5 MR. SCOTT: Madam Chair and members of the Board,
6 I'm pleased to be here to present the results this morning
7 and also the methodology -- a snapshot of results of the
8 methodology for three of the studies that Tom outlined,
9 the industrial generator study, the construction and
10 demolition study, as well as the commercial self-haul and
11 drop-box study.

12 I'll begin with the industrial generation study.
13 This is a very unique piece of work, because for the first
14 time we actually looked at the materials that were being
15 recycled by specific types of businesses as well as the
16 materials that will be disposed by those same businesses.
17 And to the best of my knowledge, this is the first time
18 this has actually been done in the U.S. So some unique
19 new information for you.

20 The purpose of course is identifying the sources,
21 who's generating this waste, where it's being generated,
22 and most importantly, opportunities for increased
23 diversion from this particular stream.

24 --o0o--

25 MR. RUDY: So the methodology. We began by

1 recruiting 378 businesses, 14 different industry types
2 including hotels, restaurants, big box stores. We
3 conducted phone surveys and site visits to quantify
4 diversion on site both through measurement and review of
5 records. And then we actually hand sorted the samples of
6 waste from these individual businesses in order to
7 calculate both diversion and disposal rates and then
8 identify key diversion opportunities. First thing I would
9 like to do --

10 --o0o--

11 MR. RUDY: -- is take a look at quantities
12 generated by a number of these commercial groups. These
13 data are in terms of tons per employee per year. The dark
14 blue bar you see there represent materials that are
15 currently disposed. The light green bar represents
16 materials that are currently recovered.

17 So as you can see, for example, with the food
18 source, a tremendous amount of waste being generated there
19 almost 16,000 tons per employee per year. However,
20 they're currently diverting 71 percent of that. Likewise,
21 with the big box retail and the non-durable wholesale,
22 more than 50 percent there at 63, and I can't -- 58
23 percent. I hope you can see that more clearly. Those
24 three are clearly above the 50 percent. The rest of these
25 select groups were recoverable materials on a per capita

1 basis at less than 50 percent. Let's take a look now at
2 what's in the waste stream, what types of materials are in
3 the waste stream, and most importantly, which of those
4 materials can be recovered.

5 --o0o--

6 MR. RUDY: And the potential quantity of
7 recovery. For purposes of the presentation here, I wanted
8 to take a look at three of these groups: Food stores,
9 full-service restaurants, and big box building material
10 stores.

11 Under food stores there, you can see that light
12 green portion, a big portion of the pie, 71 percent.
13 Those are materials that are currently being diverted, as
14 we saw on the previous slide. We look at full-service
15 restaurants, big box stores are a smaller amount currently
16 being diverted, closer to a third. Most of this
17 material -- at least the largest single component of this
18 is corrugated cardboard. There's some other paper grades
19 and to a lesser extent, glass, plastic, and metals. So
20 pretty good. But still a large portion of that pie, and I
21 direct your attention to the bright green portion.

22 That bright green portion is important, because
23 those are materials that are currently being exposed by
24 these types of businesses that could be diverted. That
25 include organics, paper, glass, metals and plastics, most

1 of which that we have programs in these urban areas set up
2 to potentially collect, process, recover these materials.

3 The yellow sliver there, more problematic
4 materials like carpet, flat glass, more difficult to
5 recycle.

6 The gray portion of the pie there is a remainder
7 of what we call MSW. And in this case, these are
8 materials that are what we call composite materials. That
9 is, they're made out of paper and plastic like a paper and
10 metals, again materials that are more difficult to
11 recover.

12 --o0o--

13 MR. RUDY: So our conclusions. It's all about
14 organics and fiber. Compostable organics disposed in
15 large amounts across all of these industry groups, and
16 some of the industry groups you saw disposal of organics
17 making up 75 percent of the total disposed waste.

18 These materials include food, compostable paper,
19 that's food, soil, tissue, toweling, and yard waste. But
20 obviously they represent an opportunity for composting,
21 further diversion. Even though cardboard is recovered at
22 high levels, there's still an opportunity there. And in a
23 number of the industry groups, recyclable fiber,
24 recyclable paper, whether it's mixed waste ready,
25 printing, writing paper also available for future

1 diversion.

2 --o0o--

3 MR. RUDY: So going to move on to the
4 construction and demolition, C&D, waste study. We sampled
5 in the four major areas that Tom outlined there. In this
6 case, we visually characterized 622 loads, and we
7 identified quantity and composition estimates again for
8 the seven types of construction materials that Tom
9 mentioned.

10 --o0o--

11 MR. RUDY: Take a look at quantities here, and
12 you can see that the biggest generators in terms of type
13 of C&D activity are residential remodels and demolition
14 activities. To a lesser extent, other C&D as Tom
15 mentioned, that's public works activities, streets, roads,
16 bridges, roofing. And then the new commercial
17 construction, new residential construction, and commercial
18 remodels. So relative quantities coming from each of
19 those streams. Obviously, the streams have different
20 opportunities and ease of diversion.

21 --o0o--

22 MR. RUDY: So now we want to look again at what's
23 in the waste stream coming from construction and
24 demolition sources. What's potentially recoverable.

25 The biggest piece up in the right-hand corner,

1 recyclable aggregates, concrete and asphalt, large
2 quantities of that remaining in the waste stream,
3 recyclable wood. That's clean wood, dimensional lumber,
4 pallets, and crates, recyclable metal, and appliances.
5 Other recoverable material includes cardboard, gypsum,
6 composition shingles, and some rock, dirt, and sand in
7 there. And then our other MSW which is composite
8 materials as well, in this case some plastic, some
9 problematic C&D materials like painted, stained wood, and
10 so forth.

11 --o0o--

12 MR. RUDY: Conclusions for the C&D waste stream,
13 about three-quarters of that waste stream is potentially
14 recoverable. And when they're talking about potentially
15 recoverable here, we're saying it's technically
16 recoverable. People are doing it, but of course it's not
17 occurring everywhere. It does represent a potential
18 possibility. So three-quarters of that waste stream, the
19 major components there, asphalt or composition single,
20 asphalt, pavings, dirt, sand, other aggregates, brick,
21 tile, porcelain, and clean dimensional lumber.

22 --o0o--

23 MR. RUDY: With that, we'll move to the final or
24 the third study, that being the commercial self-haul and
25 loose drop box waste study. As Tom mentioned, the

1 self-haul are landscapers, other small businesses hauling
2 their own waste. Loose drop boxes are large 20, 30, 40
3 yards square open top boxes that you see being delivered
4 by haulers to commercial generators. Again sampled in the
5 four major metropolitan areas.

6 --o0o--

7 MR. RUDY: And we sampled or conducted 321 hand
8 sorts.

9 In terms of quantities here, about three million
10 tons similar to the total quantity of C&D which represents
11 almost 10 percent of the disposed waste stream in those
12 four urban areas, 1.4 tons coming from self-haul, 1.7
13 million tons coming from the drop box loads.

14 --o0o--

15 MR. RUDY: So we're looking at this waste stream
16 in terms of composition of recoverability. We've got
17 recyclable paper, mostly cardboard doing clean and
18 recyclable wood, other recyclable C&D. In this case it's
19 mainly aggregates and gypsum board and other recyclables,
20 metals and plastics for the most part, compostable green
21 waste. And the other MSW is our composites again and some
22 bulky items like the chairs and the couches that you saw
23 my crew sitting in in one of Tom's slides a couple back.

24 So conclusions.

25 --o0o--

1 MR. RUDY: From the self-haul waste stream, again
2 three-quarters of that material underscore potentially
3 recoverable. The major items: Lumber, green waste, rock,
4 soil, and other aggregates such as your concrete.

5 Finally, we'll move to the drop box materials.
6 Again, we see a little more recyclable paper here. So we
7 have corrugated, some other grades, the clean dimensional
8 lumber, pallets, crates, other recyclable C&D, aggregates
9 in this case. Other recyclables, a fair amount of metal
10 and plastics in there. And other compostable materials
11 which include the green waste and food. And then the
12 other MSW which includes composite materials, some plastic
13 and some of the problematic C&D categories, such as the
14 painted/stained wood.

15 --o0o--

16 MR. RUDY: So conclusions, the drop box waste,
17 not quite as much as the C&D or self-haul waste. But 67
18 percent, about two-thirds of that waste stream, again
19 potentially recoverable, big items, lumber, green waste
20 again. This time we see some cardboard as well as food.
21 That concludes your snapshot of findings from the three
22 studies. The bottom line here is that --

23 --o0o--

24 MR. RUDY: -- there's substantial opportunities
25 in terms of materials that could be diverted from disposal

1 from those three waste streams.

2 With that, I'll introduce Paul Johnson with R.W.
3 Beck who's going to review the results of the MRF study.
4 Thank you.

5 CHAIRPERSON BROWN: Thank you, Mr. Scott.

6 MR. JOHNSON: Good morning, Madam Chair, Board
7 members.

8 Our task was to perform the quantification and
9 characterization of residuals from materials recovery
10 facilities. It's my knowledge once again this is the
11 first time a study like this has been done nationwide.

12 To define a MRF for the purposes of this study,
13 it is a facility which recyclable or solid waste materials
14 move over a conveyance system to segregate recyclables
15 from the waste material.

16 --o0o--

17 MR. JOHNSON: This waste material generated by
18 the MRF facility is the material which is disposed of at
19 the landfill, and this was the focus of our study.

20 We completed our study in a three-step process.
21 First, we screened and surveyed potential MRFs. And then
22 we performed field sampling and sorting activities. And
23 finally, analyzed data and provided results.

24 --o0o--

25 MR. JOHNSON: First up was to screen and survey

1 potential MRFs. We examined four different types of MRFs:
2 Single stream facilities, process recyclables collected
3 from one bin. Multi-stream facilities processed different
4 types of recyclables separately. And mixed waste
5 facilities, remove recyclables from municipal solid waste.
6 C&D facilities, remove recyclable material from mixed
7 construction and demolition debris.

8 Initially, we obtained information from various
9 data sources to identify all possible MRFs throughout the
10 state of California. We then screened out duplicate
11 facilities and surveyed the LEAs to remove facilities
12 which did not meet the definition of a MRF.

13 As a result, a total of 147 total MRFs were
14 identified throughout the state. We sent a detailed
15 questionnaire to each of these facilities to request
16 information regarding the types of material processed; the
17 quantities of incoming material, recyclable material, and
18 residual material.

19 We received limited responsiveness to the survey.
20 Only 44 MRFs responded. And we were able to obtain
21 additional information from 33 facilities by utilizing a
22 published database prepared by a private consultant.

23 As you can see from the chart, the resulting
24 distribution of MRFs by type is 46 percent single stream,
25 18 percent multi-stream, 24 mixed waste, and 12 percent

1 construction and demolition.

2 --o0o--

3 MR. JOHNSON: The next phase of the process, we
4 performed sampling and sorting activities. We selected
5 and visited 13 host MRFs throughout the state from the
6 four regions identified. We sampled in both the winter
7 and summer seasons. We collected a total of 390 residual
8 samples from the four MRF types.

9 Each sample was sorted into 79 material
10 categories as identified by the Board. The data that we
11 collected from each type of MRF was then aggregated to
12 obtain an average statewide composition profile for each
13 MRF type. And in this slide, we show the residual for
14 MRFs receiving single stream recyclables. And I'll point
15 out this shows the major material categories only. And as
16 you can see, paper represents 36 percent, and plastic 23
17 percent of the total residual.

18 Much of the material in these categories are
19 materials which are not easily recoverable by the
20 facility. They're present along the conveyor system
21 either in small pieces but are hard to remove. They're in
22 plastic bags and/or contaminated or composite materials.
23 And approximately 25 percent of the residual from single
24 stream is organic, is construction and demolition material
25 which is not typically targeted by these facilities.

1 --o0o--

2 MR. JOHNSON: The residual from MRFs receiving
3 multi-stream recyclables has a 35 percent paper, 27
4 percent plastic, and 22 percent glass. The incoming
5 material to multi-stream facilities is typically cleaner,
6 and there's less amounts of organic and construction and
7 demolition material, so there's less in the residual. And
8 again, the material within the paper, glass, and plastic
9 category are often hard to recover.

10 --o0o--

11 MR. JOHNSON: This next slide shows the residual
12 from MRFs processing mixed waste. And as you would
13 expect, there's a larger amount of organic and
14 construction and demolition material, and 33 percent
15 paper, 17 percent plastic, and a small amount of glass.
16 And then, this material coming in is municipal solid
17 waste. That's what we would expect.

18 --o0o--

19 MR. JOHNSON: The residual from MRFs processing
20 C&D material contains a majority 55 percent C&D material.
21 Like other MRFs, this material is that which is not easy
22 to recover. This will be composite materials such as wood
23 framing lumbers with metal brackets or studs, treated wood
24 waste, and small pieces of shredded up lumber or concrete.
25 And there's an expectably small amount of paper, glass,

1 and plastic, and which is not typically targeted at these
2 facilities.

3 --o0o--

4 MR. JOHNSON: So we use survey information
5 obtained earlier on to estimate statewide total weight of
6 residual for each type of MRF. As you can see, the large
7 majority of the waste -- of the residual from these
8 facilities comes from mixed waste facilities. The total
9 amount of residual estimated statewide is 7.4 tons per
10 year, which represents about 19 percent of the total waste
11 disposed of at landfills throughout California.

12 --o0o--

13 MR. JOHNSON: Using the quantities of material
14 for each type of facility, we were able to come up with a
15 weighted overall MRF residual composition profile which
16 because so much of the residual is mixed waste residual,
17 this chart largely resembles that of mixed waste residual.

18 I'll have Lorraine now summarize the results of
19 the overall study.

20 --o0o--

21 ACTING DEPUTY DIRECTOR VAN KEKRIX: In summary,
22 we have a lot of new information on the waste stream here.
23 This contract just wrapped up at the end of May, so we got
24 this to you as soon as we possibly could, because we know
25 that there are a lot of Board decisions that you are

1 thinking about. The staff always uses this, and all of
2 our stakeholders as well.

3 So what we have for you is not only disposal, but
4 diversion and generation data for the most common business
5 groups around the state. And we've identified various
6 business groups that have significant recycling activities
7 and those who can improve their recycling.

8 The MRF residual data is available for the first
9 time. We think we could have had stronger data with more
10 participation, but we do have data for you. That's going
11 to be very important in the emerging technology area, as
12 this is a big potential fuel source. And our detailed
13 data on C&D waste is very interesting with the high
14 percentages of it that are still potentially recoverable.
15 And I think that also speaks to potentially the need for
16 some infrastructure or additional infrastructure in some
17 areas to get that C&D waste out of the waste stream and
18 recycled.

19 And finally, we have detailed data for you on
20 self-haul. As was said earlier, many of the jurisdictions
21 have said that that may inhibit them from getting to
22 50 percent or maintaining it. And this data will provide
23 much more information for them on where it's coming from
24 and what kind of programs they may need to put in place to
25 reduce that waste that's coming in through self-haul.

1 --o0o--

2 MR. JOHNSON: So we've identified significant
3 potential areas for increasing diversion. We have new
4 tools for local jurisdictions. I got to participate in
5 developing that C&D visual method, and it was kind of fun
6 to go out and estimate how much of what kind of materials
7 were in those C&D loads. If you don't know what's coming
8 in in the C&D for your jurisdiction, how are you going to
9 develop a program to get it out of there? And we'll be
10 updating our waste characterization database.

11 So we've substantially increased our body of data
12 for further analysis. And we're really just getting
13 started on the analysis of this now.

14 --o0o--

15 MR. JOHNSON: So we've taken a major step
16 forward. We have valuable data for local governments and
17 input for Board policy decisions.

18 These studies -- the complete studies will be
19 posted on the Board's website tomorrow in the publication
20 section, so they'll be available to everyone tomorrow.

21 I have to say that we could not have done these
22 studies without the cooperation of the waste management
23 industry. They volunteered to allow us to use their
24 facilities. They helped us with equipment. We can never
25 do these characterization studies without their

1 cooperation, and we also had great cooperation from
2 businesses around the state who allowed us to come in and
3 do sampling at the businesses.

4 It was the most complex study we've ever done,
5 and I have to thank Nancy Carr, Tom Rudy, Charlie Scott,
6 and all of his crew, and Paul Johnson and all of the R.W.
7 Beck crew for getting all this great data for us.

8 That concludes our presentation, and we'd be
9 happy to answer questions.

10 CHAIRPERSON BROWN: Lorraine, thank you very
11 much. And I'll second your applause to Nancy and Tom and
12 Charlie and Paul and all of the people who put so much
13 hard work and effort into this new waste characterization.
14 It's great stuff. It is great stuff.

15 BOARD MEMBER PETERSEN: It's all kinds of great
16 stuff.

17 CHAIRPERSON BROWN: And I appreciate you getting
18 it to us as quickly as possible. So thank you for that.

19 Member Mulé.

20 BOARD MEMBER MULÉ: Thank you, Madam Chair.

21 I'm going to echo your appreciation to all the
22 parties involved, everyone. I know Tom and I were getting
23 letters out to all the people and trying to work with the
24 MRF operators on this. And again I just want to thank all
25 of you. Thank you to our consultants. Thank you to those

1 and the haulers that helped on this and all the
2 businesses.

3 And that's basically my first question, is we
4 selected these businesses statewide. And we did the waste
5 audit, if you will, on site; is that correct?

6 ACTING DEPUTY DIRECTOR VAN KEKRIX: Well, the
7 businesses were -- we focused in the four urban areas. So
8 the businesses were selected throughout the four urban
9 areas.

10 BOARD MEMBER MULÉ: Very good. And again, I'm
11 really impressed with the fact that not only did we -- we
12 looked at the entire waste and recyclable stream. We
13 didn't look at just one or the other. We looked at
14 everything. We looked at what they're diverting. We
15 looked at what they're putting into the waste stream. So
16 I thought that was really good as well to do that.

17 The other questions -- I have a lot of questions,
18 and I'm not going to get into all the details today. But
19 the one question I do have, because I'm sure many of our
20 other Board members have the same question, is where do we
21 go from here. Do we have any other waste characterization
22 studies planned? And what's the time line on those?
23 Because again I think it's critically important that we
24 continue this process, because we continue to monitor how
25 effective we're being in terms of diversion of specialized

1 waste stream types, but also where we need to focus our
2 efforts in the future. So thank you all very much.

3 CHAIRPERSON BROWN: We have lots of questions.
4 Member Petersen, then Peace, then Wiggins.

5 BOARD MEMBER MULÉ: Were you going to answer the
6 question?

7 ACTING DEPUTY DIRECTOR VAN KEKRIX: Yes.

8 CHAIRPERSON BROWN: Did you want to answer that
9 question?

10 ACTING DEPUTY DIRECTOR VAN KEKRIX: I can take a
11 stab at it. We do have some waste characterization
12 funding that is coming up. We're proposing to do a study
13 every three years, and I believe we will be back sometime
14 next fiscal year with a proposal for the next study.

15 CHAIRPERSON BROWN: Thank you.

16 Now Member Petersen.

17 BOARD MEMBER PETERSEN: Thank you, Madam Chair.

18 Lorraine, isn't it fun being a junk collector?

19 CHAIRPERSON BROWN: I think you need to ask Nancy
20 Carr that. She got really excited about being out.

21 BOARD MEMBER PETERSEN: You guys were out there.

22 Okay. This is amazing. And I have a ton of questions,
23 but I will only ask a couple.

24 It's Paul? When you evaluated the MRFs -- and I
25 know this is really tough. There's so many different

1 types of processing equipment they use. How did you cross
2 reference that? How did you do that?

3 MR. JOHNSON: We did identify that every facility
4 that we went to was different. And the technologies range
5 from highly mechanized systems to 20 laborers picking
6 material off of the line. And we took extensive notes for
7 each facility on the systems that were used, the
8 technologies, the types of materials and targeting which
9 varied also. And when we aggregated the results, you
10 know, we did not observe any direct correlation between --
11 or any difference in the residual composition depending on
12 whether or not they're using, you know, technology or --

13 BOARD MEMBER PETERSEN: So sophisticated like
14 eddy current magnets or any other gravity fence and
15 screens and things like that?

16 MR. JOHNSON: Yes. We just aggregated the data
17 for each type of MRF.

18 BOARD MEMBER PETERSEN: The more sophisticated in
19 the equipment range the MRFs are, the less material coming
20 off the back end; correct?

21 MR. JOHNSON: We didn't specifically look into
22 that.

23 BOARD MEMBER PETERSEN: Then when you took --
24 next question. On the residuals, was there any thought of
25 running it through again to see what could be picked out a

1 second go through?

2 MR. JOHNSON: Some facilities do do that. And
3 you know, we would take our samples from the second run,
4 if that's what they typically do. That's more of a
5 facility type decision.

6 BOARD MEMBER PETERSEN: And when you looked at
7 the residuals overall, what did it look like? And was
8 there any thought of what can be done with it besides
9 landfilling?

10 MR. JOHNSON: Well, we do have some pictures. I
11 don't know if you want to see them.

12 BOARD MEMBER PETERSEN: I love pictures. That's
13 okay. I just wanted to know if you guys had taken the
14 next step.

15 MR. JOHNSON: Well, to answer your first
16 question, what did the residual look like? It's very
17 small particles of material. It's different for every
18 type, every type of facility. Mixed waste facilities,
19 obviously it looks like mixed waste.

20 --o0o--

21 MR. JOHNSON: The multi-stream facilities which
22 don't have a lot of residual at all, the residual was
23 again small pieces of material.

24 BOARD MEMBER PETERSEN: Thank you, Paul.

25 CHAIRPERSON BROWN: Thank you.

1 Member Peace.

2 BOARD MEMBER PEACE: This is a lot of great data.

3 Thank you very much.

4 I guess what it shows to me is that if all
5 potentially recoverable waste was actually recovered and
6 recycled, a 75 percent diversion rate seems to me it
7 should be pretty easy to attain. That's my comment.

8 CHAIRPERSON BROWN: I don't think that was a
9 question. That was a comment. Don't have to answer that.

10 Member Wiggins.

11 BOARD MEMBER WIGGINS: I have two questions. One
12 is on the large percentage of organics, and it includes
13 food. How does food effect turning organics into compost,
14 and does food include meat?

15 MR. SCOTT: I'm going to jump right up here. So
16 the first question was what is a large percentage of
17 organics?

18 BOARD MEMBER WIGGINS: In organics, it includes
19 food. Organics is the biggest chunk of our waste.

20 MR. SCOTT: It varies. We saw most of it in the
21 industrial generator study from the big box store,
22 restaurants, hotels, so forth. The total quantity varies.
23 But I mentioned in the proposal, in some cases it's up to
24 75 percent of currently disposed waste. But oftentimes
25 you will see the organic fraction at 30 or 40 percent.

1 Food is half that, 20 percent, 25 percent.

2 BOARD MEMBER WIGGINS: So food includes meat.

3 MR. SCOTT: Correct.

4 BOARD MEMBER WIGGINS: And that can effect
5 turning it into compost, is that right or is that not
6 right?

7 MR. SCOTT: It is compostable with the
8 appropriate technologies.

9 BOARD MEMBER WIGGINS: It is compostable?

10 MR. SCOTT: Absolutely.

11 BOARD MEMBER WIGGINS: So basically our organics
12 can be turned into compost?

13 MR. SCOTT: Every bit of that organic material
14 that we identified can be composted and turned into a
15 compost product.

16 BOARD MEMBER WIGGINS: We still have to make a
17 deal with Caltrans.

18 MR. SCOTT: Not all facilities are capable of
19 currently handling the food waste or meat and cheese and
20 dairy, but the technology is there and it's possible. And
21 it's being done in many areas of the country.

22 BOARD MEMBER WIGGINS: Also the airports have a
23 problem with the compost. That's another issue.

24 CHAIRPERSON BROWN: If we could site a facility
25 in an air district.

1 MR. SCOTT: It's the new opportunities. The new
2 frontier.

3 BOARD MEMBER WIGGINS: My second question is on
4 the MRF residual mixed waste at 90.6 percent, that would I
5 think effect their profit.

6 MR. JOHNSON: Yeah. We didn't do financial -- we
7 didn't obtain any financial information from these
8 facilities. But I would imagine that yes, these
9 facilities are designed for removing as much recoverables
10 as they can from mixed waste.

11 BOARD MEMBER WIGGINS: And they still leave 90.6
12 percent?

13 MR. JOHNSON: That's 90.6 percent is the amount
14 between the type of facilities. So 90 percent of the
15 residual from all facilities is coming from mixed waste.

16 BOARD MEMBER DANZINGER: So it's not 90 percent
17 of their materials? It's all the residuals in all of the
18 different facilities, 90 percent that is happening in the
19 MRF?

20 MR. JOHNSON: Right. And then --

21 BOARD MEMBER WIGGINS: Oh.

22 MR. JOHNSON: And then .5 percent of the total
23 residual is --

24 BOARD MEMBER WIGGINS: Okay. Thank you.

25 BOARD MEMBER DANZINGER: It's not a connotation

1 of inefficiency.

2 CHAIRPERSON BROWN: Jeff.

3 BOARD MEMBER DANZINGER: I don't have any
4 questions. I'm sure I will when I start trying to absorb
5 all of this. But I do want to echo all of the thanks from
6 everybody up here to the staff and the contractors and
7 industry. I know I don't have to tell staff how important
8 I think this is and how excited I am by it. I think it's
9 pivotal to how effectively we do our job. This study
10 becomes like another set of eyes and ears for us out there
11 for across the state. It's going to help us develop
12 policy, help us identify new initiatives that we may want
13 to undertake. I'd like -- there's wisdom in how it was
14 done I think by targeting.

15 I also think that it's very practical. I love
16 the idea of being able to have visibility of here's the
17 waste, here's how much is divertable. And then of that,
18 here's how much is being diverted, which is something I
19 haven't seen. Because you can say that okay, there's the
20 opportunity. We can quantify the opportunity, how much is
21 out there. And you know, this affirms once again the
22 primacy of organics and the tremendous opportunity for
23 movement and progress that exists in the commercial
24 sector. It's not subject to the mandates of the law,
25 which is doing some tremendous voluntary efforts out

1 there. But aside from a couple, you know, minimum content
2 laws, they're not. So there's great opportunity out there
3 to move forward as well. And it's good to have a study to
4 affirm that and give the cross tabs and all that info. So
5 I look forward to that.

6 You mentioned one thing, Lorraine. You said
7 we're going to go doing further analysis of this over
8 time. So in addition to the next study, whenever that's
9 going to be, three years or whatever, we're going to
10 continue to see more good solid detailed information from
11 staff as a result of calling out some of this. I assume
12 in addition to what we see here in our agenda there's some
13 thick material somewhere you're culling through.

14 ACTING DEPUTY DIRECTOR VAN KEKRIX: Exactly. We
15 just got the final results of the study in May. We've got
16 it here to the Board at our first opportunity to bring it
17 to you. But there is all kinds of analysis that staff
18 from all over the Board are going to be doing. So we
19 expect that you will be seeing this information come to
20 you in agenda items from staff throughout the Board.

21 We would be happy to answer any questions that
22 pop up in your minds after this Board presentation on the
23 data itself. And then as I said, staff from around the
24 Board will also be bringing it forward as part of their
25 background and agenda items and that kind of thing for

1 your consideration.

2 BOARD MEMBER DANZINGER: Thanks, Lorraine.

3 CHAIRPERSON BROWN: Thank you, Lorraine.

4 Any other questions from Board members?

5 Okay. I know we have stakeholders that have been
6 patiently waiting in the audience for us to proceed with
7 our agenda. But given the hour and the items that we have
8 left and the due consideration I want to give each and
9 every agenda item, I would like to make a suggestion that
10 we take a break and come back in an hour and resume the
11 afternoon. And I apologize, but we need a break. And we
12 need to give you due consideration for all of the agenda
13 items on the afternoon agenda. So we will reconvene at
14 1:20 here, unless I hear otherwise. Thank you.

15 (Thereupon a lunch recess was taken.)

16 CHAIRPERSON BROWN: We will go ahead and
17 reconvene this meeting.

18 Kristen, can you call the roll?

19 EXECUTIVE ASSISTANT GARNER: Danzinger?

20 BOARD MEMBER DANZINGER: Here.

21 EXECUTIVE ASSISTANT GARNER: Mulé?

22 BOARD MEMBER MULÉ: Here.

23 EXECUTIVE ASSISTANT GARNER: Peace?

24 BOARD MEMBER PEACE: Here.

25 EXECUTIVE ASSISTANT GARNER: Petersen?

1 BOARD MEMBER PETERSEN: Here.

2 EXECUTIVE ASSISTANT GARNER: Wiggins?

3 Brown?

4 CHAIRPERSON BROWN: Here.

5 And we'll just hold the roll open for Member

6 Wiggins to join us shortly.

7 Does anybody have any ex partes to report? Okay.

8 None.

9 Could we move to Agenda Item 7, the Consideration
10 of the Revised Resolution Number 2006-100. We've done all
11 of the debate. Can I have a motion on this Resolution?

12 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
13 Resolution 2006-100 Revised.

14 BOARD MEMBER PEACE: Second.

15 CHAIRPERSON BROWN: It's been moved by Member
16 Mulé and seconded by Member Peace.

17 Kristen, can you call the roll?

18 EXECUTIVE ASSISTANT GARNER: Danzinger?

19 BOARD MEMBER DANZINGER: Aye.

20 EXECUTIVE ASSISTANT GARNER: Mulé?

21 BOARD MEMBER MULÉ: Aye.

22 EXECUTIVE ASSISTANT GARNER: Peace?

23 BOARD MEMBER PEACE: Aye.

24 EXECUTIVE ASSISTANT GARNER: Petersen?

25 BOARD MEMBER PETERSEN: Aye.

1 EXECUTIVE ASSISTANT GARNER: Wiggins?

2 Brown?

3 CHAIRPERSON BROWN: Aye.

4 And we'll hold that vote open as well.

5 Now we will move to Agenda Item 18, Consideration
6 of a Request by Glad Manufacturing, Pactiv Corporation,
7 Poly-America, Republic, and Trans Western Polymers from
8 Exemption of Postconsumer Requirements of the Plastic
9 Trash Bag Law for the 2005 Certification.

10 ACTING DEPUTY DIRECTOR SMITH: Madam Chair, you
11 did a fine introduction of that item, so I won't repeat.
12 Sue Ingle will be presenting today, and she'll have a
13 backup with Mike Leason. Sue.

14 CHAIRPERSON BROWN: Thank you, Sue.

15 (Thereupon an overhead presentation was
16 presented as follows.)

17 MS. INGLE: Good afternoon, Board Chair Brown and
18 Board members. Welcome back after lunch.

19 And I'm presenting two exciting items today, 17
20 and 18. And 17 concerns the plastic trash bag
21 manufacturers and wholesalers, their compliance with the
22 Plastic Trash Bag Law for 2005. And Agenda Item 18 deals
23 with the manufacturers requesting an exemption. And we're
24 going to start with the exemption requests first.

25 Plastic Trash Bag Law requires all manufacturers

1 and wholesalers of regulated trash bags of .7 mil and
2 thicker to certify with the State of California their
3 sales into California. It also requires the Board to
4 publish a list of any manufacturers and wholesalers who
5 failed to comply with the law. The Department of General
6 Services utilizes the Board's public list to confirm
7 eligibility for awards of contracts by the State of
8 California.

9 --o0o--

10 MS. INGLE: Manufacturers are required to
11 annually certify by meeting the law using one of the
12 following options. They can use 10 percent or more
13 postconsumer material in their trash bags, or they can use
14 30 percent in all plastic products they make, or they can
15 request an exemption due to insufficient quantity and
16 quality of postconsumer material. That's why we're here,
17 to discuss the exemption request for the following five
18 companies.

19 --o0o--

20 MS. INGLE: Glad Manufacturing, Pactiv
21 Corporation, Poly-America, Republic Bag, and Trans Western
22 Polymers.

23 --o0o--

24 MS. INGLE: This table displays the five
25 companies requesting exemptions. And they're five of the

1 largest bag manufacturers nationally. They're listed by
2 their tons sold.

3 And what I'd like to do is ask the Board members
4 if you would like to continue seeing the rest of the
5 presentation or if you'd like to have me go on to the
6 options. This was kind of -- I have more details with the
7 presentation, and I'll let you decide.

8 CHAIRPERSON BROWN: Go ahead. Unless anybody
9 doesn't want to hear it. I think go ahead, Sue.

10 MS. INGLE: Okay. Great. We'll continue.

11 As you'll notice, Poly-America, the maker of the
12 Cosco bags and other private labels, sold four to six
13 times the amount of plastic bags compared to the other
14 companies requesting an exemption, yet they were able to
15 achieve the highest rate of PCM use in their California
16 plastic trash bags for 2005.

17 --o0o--

18 MS. INGLE: The exemption criteria is very
19 specific and requires extensive documentation. This
20 information is provided in the regulations, and these
21 steps were outlined in the certification packet sent via
22 certified mail to each manufacturer. This is not the
23 first exemption request for these five companies. Some of
24 these companies have requested exemptions since 1999. To
25 be recommended for an exemption for 2005, each company was

1 evaluated on how well they met the criteria and their
2 efforts taken during the calendar year.

3 --o0o--

4 MS. INGLE: Staff reviewed the documentation
5 presented by Poly-America. In their exemption request,
6 staff determined this company showed a reasonable effort
7 in acquiring PCM in manufacturing regulated trash bags.
8 Their PCM increased from 2004 by 389 tons. And they
9 continued to test and rely on bailed film, that is
10 reprocessed by Poly-America, for use in their products.
11 They also used a large amount of PCM in other plastic
12 products and have been participating in the Board's
13 plastic recovery workshops. Poly-America's history of PCM
14 use has increased along with an increase in their sales
15 from 2001 to present.

16 --o0o--

17 MS. INGLE: Glad used 2.5 tons last year, and to
18 date, they're not ready to use PCM until equipment
19 renovations are complete. And this is estimated for
20 September 2006. Glad is no closer to purchasing and using
21 PCM then they were in 2003 when their exemption was based
22 on equipment modifications to incorporate PCM into their
23 multi-layer bags. Glad continues to test PCM for one
24 supplier and indicated when renovations are complete they
25 can use up to 3 percent in their trash bags.

1 Board staff will continue to work with Glad
2 through the balance of 2006 and is optimistic Glad will
3 begin production of bags at 3 percent.

4 --o0o--

5 MS. INGLE: For 2004 reporting period, Glad and
6 Pactiv were each granted a conditional exemption at the
7 December 2005 Board meeting. As stipulated in Glad's
8 Resolution, the company has been meeting the commitments
9 of the conditional approval. These conditions include
10 attending quarterly meetings during 2006 with Board staff.
11 We've met with Glad twice this year, and Glad has been
12 submitting their quarterly reports.

13 On Friday last week, Glad reported to me that
14 they were able to link their website to the
15 plasticbagrecycling.org web which encouraging recycling of
16 plastic shopping bags. They also made contact with a new
17 supplier suggested by Board Member Petersen of Mountain
18 Valley Recycling last week, and they are talking about --
19 they've got avenues open right now they're talking about
20 possibly purchasing supply in the future.

21 Since the 2004 reporting period was essentially
22 over, the conditions for the exemption would take place
23 over 2006. Therefore, Board staff believes that a
24 conditional approval for 2005 would also be granted.

25 --o0o--

1 MS. INGLE: Pactiv Corporation has shown a
2 decrease in PCM use from 2001 to present, yet their sales
3 of regulated plastic trash bags into California have
4 increased every year. Pactiv manufactures the Hefty bag
5 and discontinued their Renew brand due to poor sales.
6 These trash bags used a significant amount of PCM.

7 Starting in 2003, Pactiv promised to use
8 significantly more PCM because they completed 3.5 million
9 in capital improvements to modify their production lines.
10 But these improvements have not appeared to increase PCM
11 use in their manufacturing. Although Pactiv has the
12 ability to reprocess resins from bailed stretch wrap, they
13 used 2.5 tons of PCM in 2005. Pactiv has committed to
14 increasing the PCM content and focus more on bailed film
15 since they have the ability to clean and pelletize
16 postconsumer material.

17 Board staff will continue to work with Pactiv
18 through 2006 and hopes that Pactiv will devote the
19 resources towards sourcing PCM that is parallel with their
20 3.5 million investment in modifications to their
21 production.

22 --o0o--

23 MS. INGLE: Pactiv was granted a conditional
24 approval for 2005 and have been meeting those commitments
25 of the approval by attending quarterly meetings with

1 staff. Staff have met with Pactiv representatives in
2 January and March this year and are scheduled to meet
3 again on July 7th. Pactiv has been submitting their
4 quarterly reports and supporting the Board's film
5 collection and collaborative work groups. Also, Pactiv
6 has been an active participate with the film plastic
7 working groups.

8 --o0o--

9 MS. INGLE: Republic Bag, their PCM use has
10 drastically decreased from 2002 to present. Republic Bag
11 reported to staff the company was close to bankruptcy due
12 to financial issues. They sent a letter stating high cost
13 of labor, energy, and postconsumer material was making it
14 difficult for them to stay in business along with
15 companies importing bags from outside the U.S.

16 Republic Bag used zero tons of PCM in 2005. This
17 is the second exemption request for Republic Bag.
18 Unfortunately, Republic Bag did not submit any
19 documentation to address the criteria for an exemption as
20 stated in the certification packet they received, and
21 staff believes Republic Bag did not meet the criteria to
22 obtain an exemption for 2005.

23 --o0o--

24 MS. INGLE: The last one is Trans Western
25 Polymers. They used zero tons of PCM in 2005. Trans

1 Western submitted no supporting documentation. In fact,
2 they returned their form late after I called them after
3 the March 1st deadline.

4 Staff believes Trans Western Polymers did not
5 meet the criteria to obtain an exemption in 2005.

6 --o0o--

7 MS. INGLE: So here are the options for the
8 Board.

9 Option 1 would be to approve the exemption.

10 2. To offer a conditional approval.

11 3. To disapprove.

12 4. To take no action.

13 5. Asking the Board for further direction.

14 --o0o--

15 MS. INGLE: Based on information provided, staff
16 recommends the Board adopt Option 1, therefore granting an
17 exemption to Poly-America.

18 --o0o--

19 MS. INGLE: On the other hand, staff recommends
20 the Committee adopt Option 2 and approve a conditional
21 exemption for Glad Manufacturing and Pactiv Corporation.

22 --o0o--

23 MS. INGLE: And finally, staff recommends Option
24 3, to disapprove the exemption request for Trans Western
25 Polymers and Republic Bag, and directs staff to place

1 these companies on the list of noncompliant manufacturers
2 and wholesalers for 2005 and publish those lists on the
3 Board's website.

4 That concludes my presentation.

5 --o0o--

6 MS. INGLE: Do you have any questions?

7 CHAIRPERSON BROWN: Thank you, sue.

8 MS. INGLE: I'd like to also add at the Committee
9 last week, the Board voted to not award Glad and Pactiv a
10 conditional exemption. So there was a 3-0 vote. I just
11 wanted to let you know what the vote was on those two.
12 They did vote for an exemption for Poly-America and denied
13 the exemptions for Republic and Trans Western.

14 CHAIRPERSON BROWN: Okay. Thank you, Sue.

15 We do have a couple of speakers. So why don't we
16 take our speakers first and then we can take questions
17 from the Board.

18 I would like to note for the record that Member
19 Wiggins has joined us during the presentation.

20 And I'd like to call our first speaker, Laurie
21 Nelson for Glad.

22 MS. NELSON: Madam Chair, Members, Laurie Nelson
23 on behalf of the Glad Company. I just want to briefly go
24 over a little bit on our compliance history. We have been
25 asking for an exemption for years. What happened in 1999

1 are a couple of things. One is a change in suppliers.
2 Our supplier went bankrupt in Canada. Some other
3 suppliers went out of business. Also we had an HDPE,
4 which as you know is different than linear low density.
5 And that portion of our bag business we sold. And once
6 that happened, we were no longer able to meet the 10
7 percent requirement.

8 You've seen that also with the other companies
9 before you where there's a gradual decreasing in the
10 linear low density polyethylene that's available. And
11 even for a company such as Trex, which are more of a
12 high-end product with a lower processing cost as opposed
13 to us which is more of a low-end product with a high
14 processing cost, they're having difficulty getting the
15 material. So I think it's a supply issue out there.
16 I think that traditionally this company has been forward
17 thinking on environmental issues.

18 This trash bag law has been an anomaly. And I
19 know you are as frustrated as we are in the time and
20 resources we've expended in trying to comply with this.

21 I would also like to say during this time we were
22 having supply issues, we've also been able to source
23 reduce prior to 2005 by about 35 percent.

24 So as you well know, what we need to do is make a
25 reasonable effort to identify available suppliers and

1 bring that before you as the Board members. And 2004 was
2 tough. We didn't use any PCR, but we did have additional
3 source reduction of 4 percent. That's 240,000 pounds of
4 plastic that was source reduced. And then in December of
5 2005, we appeared before this Board. We negotiated in
6 good faith, and we got what was known as the conditional
7 exemption. What that meant was that we have closer
8 relationships with Board staff, ongoing discussions, more
9 back and forth, more meetings.

10 And then in 2005, which is the year that's under
11 consideration now, we've continued our source reduction
12 effort. It's now up to a million pounds annually.
13 Nationwide, that's 7.5 million pounds we've source
14 reduced. We also did a test run in 2005 of 10,000 pounds
15 recycled plastic. We spent over a quarter of a million
16 dollars on equipment modifications. We've got a good
17 supplier.

18 Now in 2005, our supplier we IDed closed down for
19 a while so they could expand capacity to take care of our
20 needs and now are back and running. So we did get the
21 conditional exemption for 2004 at the end of 2005. I
22 think at the time it was our belief it was more of a
23 extended long-term idea that we would work over the next
24 couple of years more closely with staff to identify any
25 barriers or problems. Hopefully, we've done that. We

1 have come to all of the meetings with staff. We've
2 provided reports. We've participated in Board activities.

3 As you look on page 7 of your report, I just want
4 to call attention to a number of things the Glad Company
5 has done. In addition, we're part of the Keep America
6 Beautiful. We've donated four million bags there. We're
7 the Great America Cleanup Program. We're their official
8 sponsor of their bags. Katrina relief and the Mardi Gras,
9 we've given over a million bags to their efforts as well.

10 And so that brings us to 2006. We're six months
11 into it. Again, our participation we think has been
12 without question. So far this year, we've done 200,000
13 pounds recycled material trying to get that into our bags.
14 We've spent thousands of dollars on health and safety
15 issues. As we're looking at new film products, we've got
16 to look at any kind of residues that are out there. We're
17 doing a \$25,000 risk assessment study. Once that's
18 completed, we're hoping we can start those things up and
19 running.

20 Ms. Ingle mentioned the web link to the grocery
21 bags which isn't directly on trash bags, but I hope it
22 shows a good faith effort on our part. Mr. Petersen
23 recommended Mountain Valley Recycling. They called him on
24 the way home from the meeting.

25 I would say that one of the things I would like

1 to call the Board's attention to is that this company has
2 stepped up and tried to do everything that's been asked
3 and beyond, such as the source reduction. And that if you
4 compare us to the other two companies where they didn't
5 file their paperwork, they didn't show up, they didn't
6 meet with staff, they don't attend meetings, they're not
7 doing the other things that we're doing, I just think it
8 would be a good incentive to reward those companies that
9 meet you halfway. We're not asking for a total approval.
10 The conditional exemption with additional oversight, we're
11 good with that. And we hope that you approve that today.
12 Thank you.

13 CHAIRPERSON BROWN: Thank you, Laurie.

14 Our next speaker is Scott Smithline, Californians
15 Against Waste.

16 MR. SMITHLINE: Good afternoon, Madam Chair,
17 Board members. I'm Scott Smithline with the environmental
18 group Californians Against Waste.

19 We're here today to urge you to deny the
20 exemptions that are before you. We outlined our
21 objections in greater detail in Committee, so I won't get
22 into them in depth here. Suffice it to say that we think
23 that the exemption process is actually beyond the scope of
24 the statute and you don't actually have the legal
25 authority to do that.

1 I think we have to ask ourselves two questions
2 here. Is what we're doing legal, and is it working? And
3 so putting the first question aside, I think we'll take a
4 look at what's working and not working.

5 To the extent that you've granted exemptions for
6 companies that haven't been able to comply with the
7 substantive requirements of this statute, if you look at
8 the last several years, there's a history that that isn't
9 working. These exemptions aren't working. The goal of
10 the statute is not to create more meetings, to create, you
11 know, a closer working relationship frankly with the
12 industry. It's to get postconsumer content into the
13 marketplace. And these exemptions arguably are actually
14 hindering that from our perspective at this point. So we
15 really think it's time to reassess, take a step back.

16 And CAW recognizes the limitations of this law
17 and the fact it has not been as effective as everybody
18 would like. To that extent, we have been and continue to
19 be willing to sit down with industry and are making those
20 connections at this point as we speak and as well with the
21 Board members here to try to come up with something that's
22 more creative that gets postconsumer content where we want
23 it to be.

24 So in conclusion, however, we do urge you to deny
25 these exemptions. Thank you.

1 CHAIRPERSON BROWN: Thank you, Scott.

2 Do we have Board member questions?

3 Member Mulé.

4 BOARD MEMBER MULÉ: Thank you, Madam Chair.

5 I do have a question actually for both Glad and
6 Pactiv. My question is we have a compliance option
7 whereby a company can use 30 percent postconsumer material
8 in all of their plastic products that are not subject to
9 compliance with the RPPC law or other minimum content
10 laws. So my question to you, Laurie -- I don't know if
11 you want to come up and answer this. And I don't know if
12 Pactiv is prepared to answer this. Have you made any
13 attempts to utilize PCM in all of your plastic products in
14 keeping in line with the second compliance option?

15 MS. NELSON: We are familiar with that option.
16 The challenge is that for bottles we're also using tens of
17 millions of pounds of PCR in our bottles. And we're also
18 having problems -- as you know, we have a 25 percent
19 requirement there. And previously, we went above and
20 beyond that. That's kind of our corporate policy. But
21 that material has also been shrinking as far as
22 availability. So the 30 percent isn't possible at this
23 time.

24 BOARD MEMBER MULÉ: But my question is, are you
25 making those attempts?

1 MS. NELSON: Absolutely. We put as much as we
2 possibly can. As I said before, we used to exceed the 25
3 percent by some significant number, and now that's no
4 longer possible.

5 BOARD MEMBER MULÉ: Okay. Thank you. And --

6 MS. HANSON: Laurie Hanson representing Pactiv.
7 They don't make any other plastic products except
8 for polystyrene food service which cannot take
9 postconsumer content.

10 BOARD MEMBER MULÉ: Pactiv doesn't have any other
11 products basically. Thank you.

12 CHAIRPERSON BROWN: Member Petersen, do you have
13 questions?

14 BOARD MEMBER PETERSEN: One. Laurie, do you
15 mind? So the parent, Clorox, has attempted to use the
16 recycled content in their products, but you cannot seem to
17 find the resins; correct?

18 MS. NELSON: Glad manufacturing for the bags,
19 yes. For the bottles, which are made by the parent
20 company --

21 BOARD MEMBER PETERSEN: Which is Clorox.

22 MS. NELSON: Yes. We are finding the rigid
23 plastic packaging. It's still available at the 25
24 percent.

25 BOARD MEMBER PETERSEN: That's Clorox, not Glad.

1 Because Glad is wholly owned subsidiary?

2 MS. NELSON: Correct.

3 BOARD MEMBER PETERSEN: That's all I need. Thank
4 you.

5 CHAIRPERSON BROWN: Member Wiggins.

6 BOARD MEMBER WIGGINS: Just so you know, I
7 support granting an exemption for Poly-America and
8 refusing the exemption for Glad, Pactiv, Republic Bag,
9 Trans Western, and putting them on a noncompliance list.

10 CHAIRPERSON BROWN: Thank you.

11 Do we have any other questions?

12 Member Danzinger, are you --

13 BOARD MEMBER DANZINGER: Yeah. This just
14 occurred to me. The exemptions issue -- I have a couple
15 comments to make after, but I want to ask this first. The
16 exemptions that -- it's been debated about whether we have
17 the authority or not to do exemption. I guess our
18 staff -- our interpretation is that we can do exemptions.

19 The collaborative process itself, is that
20 something that we devised or was that contemplated in
21 statute? You know, like the interested party stuff, we
22 did that ourselves in the regs and all that is as a means
23 of getting this done; correct?

24 BRANCH MANAGER ORR: Yeah. This is Bill Orr,
25 Recycling Technologies Branch.

1 The collaborative process and the interested
2 parties meetings are -- well, let me start with the
3 interested parties meetings. The interested parties
4 meetings are a Board invention intended as a two-way
5 communication tool with plastic stakeholders on the broad
6 array of plastic related issues. That's not provided for
7 in statute. It's just another means that the Board has
8 used to communicate with its stakeholders.

9 In regard to the collaborative process, it was
10 borne out of two things. First of all, there was a
11 legislative report a couple of years ago that was looking
12 at our options dealing with plastic trash bags and it
13 contemplated rather than a narrowly focused postconsumer
14 product or content law a more industry-based sector-based
15 approach to increasing the collection and use of recycled
16 plastic.

17 The second thing is that it was about the time of
18 the exemption consideration two years ago that we realized
19 that there was in fact a chasm between supply and demand.
20 So we wanted to take a more proactive approach to that.
21 So we have convened an assortment of working groups that
22 have been engaged for the last two years to tackle that
23 particular topic. So again, that is a Board invention,
24 but it is both the response to a legislative report as
25 well as the recognition that there are supply issues.

1 BOARD MEMBER DANZINGER: Okay. I mean, I'm
2 supportive of having exemptions. I do think that is
3 something -- we've done it in other areas. And the
4 collaborative process, of course, is a positive thing.

5 I think what struck me is that, you know, that as
6 part of conditional approvals, we include for instance
7 participation and support of the collaborative process,
8 which I think is setting the bar fairly low. But I think
9 there are other elements of the conditional process that
10 are legitimate.

11 I want did say a couple of things, because this
12 was not an easy decision for me to arrive at. I wanted to
13 wait until I heard what I had to hear today. I feel
14 sometimes like I'm trapped in a parallel universe version
15 of the movie The Graduate, as Benjamin Braddock is
16 preparing to go to the Waste Board, being advised by some
17 family friend that my fate will be tied up in one word,
18 plastics. Only in this parallel universe, it's being
19 offered and presented not as an opportunity but as a
20 nightmare. And I'm sure there are other people here that
21 would agree with that.

22 There's no doubt the plastics issue is a real
23 problem. It's a real challenge. And anyone who believes
24 there's safety in numbers probably has not looked at
25 numbers involving plastics lately. The trash bag law in

1 particular is a very tough issue. It's a difficult law to
2 comply with. And it's difficult to enforce.

3 Now, I count myself among those, the many, who
4 would like to see a refined version of this law or a
5 measure in its place that targets the broader plastics
6 problem. And, of course, I'd love to see markets and a
7 collection and cleaning infrastructure that somehow could
8 make it pencil out for more stakeholders.

9 But the fact is that the law is on the books, and
10 it has been there for years. And this Board as part of
11 its charter from 939 and since has an enforcement mandate.

12 Now one endless refrain from all of us is that
13 this law is unworkable. It's difficult to work with.
14 It's got tremendous flaws. And there's no doubt about
15 that. And over the time that the Board and the Board
16 staff have clearly demonstrated a willingness to work with
17 companies that haven't complied with the law but are
18 making progress, are moving forward.

19 But I don't think we can exempt companies because
20 they haven't been able to change the law. And I think
21 increasingly that's what seems to be happening, because
22 it's the one thing we come back to. This law is broken
23 and needs to be fixed over in the Legislature. And that's
24 true. But I don't think that's grounds for an exemption
25 or a conditional exemption.

1 And I will say candidly I think -- I imagine that
2 there has been an expectation among some that the
3 sympathetic collaborative process that the Board has
4 brought to this would be matched eventually by a
5 successful effort to fix the law or to find an adequate
6 substitute, and that's why this has gone on for years.

7 And I also acknowledge some of these folks -- and
8 I certainly would consider Glad to be one of them to be
9 doing some very good things in other areas, particularly
10 source reduction. But the law includes an option that
11 they've given to us to determine credit or compliance
12 based upon other things that are being done. And that's
13 what we have to look at. So unfortunately, source
14 reduction, for instance, contemplated in RPPC but not
15 contemplated in this law. Another one of the many flaws.

16 So I think there's obviously going to continue to
17 be a lot of debate and discussion over all of these
18 issues. Who can get PRC, who can't. Is it a quality
19 issue? Is it quantity issue? Is it both? If we get wash
20 lines in California, how big a difference is that going to
21 make? Is it a market development issue? Or is it really
22 more a collection and cleaning infrastructure issue and
23 all of those things?

24 But I do believe at this point in time we need to
25 enforce the law the way it was intended to be enforced

1 while continuing to press for a better plastic solution
2 that can help to promote diversion and reuse and the
3 creation of sustainable markets.

4 So with a degree of empathy no doubt, which I'm
5 sure that Glad and Pactiv will take little consolation
6 from, I'm voting to adopt the ruling that the Committee
7 has made on this item.

8 CHAIRPERSON BROWN: Any other comment?

9 Even though that sounded like a closing remark,
10 Jeff, I do have a couple questions.

11 BOARD MEMBER DANZINGER: I don't want to close
12 this item. I don't want to be the one to close it.

13 CHAIRPERSON BROWN: You don't want to be the
14 closer. I don't really want to be the closer either, but
15 I have a couple of questions for staff.

16 And not to borrow Gary as my speech writer
17 instead of Jeff, but I'm having a difficult time -- and I
18 think I admitted from the beginning. Plastics is a hard
19 one to get your arms around. And I'm having a difficult
20 time with this one. And where I'm having a difficulty
21 time is with the process that the Board has undergone to
22 this point. And my difficulty -- I agree with Scott. You
23 know, I wish we could have -- you know, we didn't have
24 compliance options. But they've been granted. And the
25 Board has gone there, and they've determined them in

1 regulations to be acceptable. And we are working with a
2 conditional exemption right now. And it was granted just
3 in December.

4 You know, we have asked them to comply and to do
5 certain things. And I'm turning to Sue. Have they done
6 what we asked them to do in December?

7 MS. INGLE: Thus far, as far as the conditional
8 exemption goes for following through with 2006, I would
9 say, yes, they have. As far as making progress towards
10 purchasing and using more PCM, that's still yet to be
11 decided for both companies.

12 CHAIRPERSON BROWN: So it's yet to be decided.
13 We can't determine -- how do you determine reasonable
14 effort?

15 MS. INGLE: I'll let Mike answer that one. We've
16 gone round and round with that question.

17 CHAIRPERSON BROWN: I know. And I apologize I
18 wasn't at Committee. I need you to bring me up to speed
19 so I'm comfortable with where it seems we're going,
20 because I'm having a hard time getting there this quickly.

21 SUPERVISOR LEAON: For the record, Mike Leao,
22 Supervisor, Plastics Recycling Technology Section.

23 And that really is the key question with the
24 exemption requests. The company's documenting they made
25 reasonable efforts to source postconsumer material. And I

1 have to say since 2003 the documentation I think has
2 improved significantly, and I think we are seeing movement
3 by these companies, Glad and Pactiv specifically, to do
4 more.

5 However, when the strategy is to do some phone
6 calling and make some initial contacts, the question
7 becomes what's the quality of those contacts with
8 potential suppliers? What's the nature of the follow up?

9 Part of the intention behind this conditional
10 approval is to allow staff to get better input and
11 feedback from companies regarding that very question. Are
12 they token contacts, or are they serious contacts where
13 they're really exploring and working with potential
14 suppliers to get that material.

15 And I would say on the part of Glad for this
16 year, I think we have a greater degree of confidence based
17 on their work with Delta Plastics and the changes that
18 they've made to their manufacturing line to go to a
19 multi-layer bag. And they're trying to work out the kinks
20 with the blending of the PCM from Delta version material
21 to get them to a 3 percent level.

22 And based on the information we have to date, I
23 would say it looks promising they're going to be able to
24 do that. But as Sue indicated, we have to see how
25 production trials go and if it's actually going to

1 succeed. But they are putting all their eggs in one
2 basket so to speak, by focusing on getting the PCM from
3 Delta.

4 Pactiv side, they focused primarily on sourcing
5 PCM pellets so far this year. They do have the capacity
6 to accept bailed material. They have their own wash line,
7 and they can process material. And one of the things we
8 wanted to work with them on through the balance of this
9 year was on finding sources of bailed material. So far,
10 their contacts with PCM suppliers for the pellets, they
11 haven't found a supplier for that material. I think we
12 need to explore further with them the nature of the
13 contacts and conversations they've had with the PCM
14 suppliers. But on top of that, also take a serious look
15 at where can you source additional bailed material that
16 you can process and make your own PCM pellets with.

17 So again as Sue has indicated, those issues are
18 to be determined. And one of the things we want to get to
19 through this process is are they doing enough in terms of
20 working with potential suppliers that we can say with
21 confidence to you, the Board, that they are making
22 reasonable efforts.

23 CHAIRPERSON BROWN: So how are you determining or
24 who determines what's enough? I mean, that's where I have
25 a problem with this whole process, is who's making the

1 determination? Is it one call a week? One call a month?
2 Three calls a year? I don't understand who determines and
3 how you determine if there's no criteria which is why I
4 say we have these exemption options. I agree with Scott.
5 I wish we didn't have to deal with them, because it's all
6 subject and reasonable. Either you are or you aren't
7 complying.

8 SUPERVISOR LEAON: And it is difficult.

9 CHAIRPERSON BROWN: Have we told them yet, Mike?
10 I mean, in December when we came up with an agreement, was
11 it clearly stated what we determined to be a reasonable
12 effort is X?

13 SUPERVISOR LEAON: The conditions did not address
14 that. What the conditions specified was that they would
15 supply us with reports and they would meet with us on a
16 quarterly basis. And through those reports and meetings,
17 we were going to attempt to get to the question of whether
18 they were reasonable efforts.

19 CHAIRPERSON BROWN: All right. And I mean, I
20 think reasonable is a horrible word, personally. I just
21 think it's very hard to determine what a reasonable effort
22 is. It's like Jeff said, you can make the bar really low
23 and that can be reasonable or you can make the bar really
24 high and that's reasonable. But we haven't defined the
25 bar yet. We haven't told them -- or maybe we have in the

1 last 15 years or however long we've had the law. But I
2 don't see anywhere in here where we've clearly defined the
3 bar, other than 10 percent.

4 SUPERVISOR LEAON: Well, the regulations do spell
5 out the type of documentation that they're required to
6 supply to us. And by and large, we've been getting that
7 type of information. But again, you're correct in that I
8 think the regulations and the statute aren't very
9 specifically detailed in regards to the question of what
10 are reasonable efforts.

11 Anecdotally, one thing I can say is when you
12 compare the efforts, say a company like Trex puts in to
13 sourcing material out in the field, it's a significant
14 more investment of resources into that effort. And
15 certainly it is a competitive environment for this
16 material, and you do need to put resources towards
17 sourcing that material. And one of the things that I
18 found curious through this process is that despite the
19 dollar investments on the manufacturing side that has gone
20 into making changes to their process, I haven't seen a
21 commensurate investment in resources in putting people out
22 into the field to source material.

23 CHAIRPERSON BROWN: Okay. One other question I
24 have, and then I'll drop it. We put together a list. Do
25 we have a list of potential suppliers that we give to

1 those companies, is my understanding?

2 SUPERVISOR LEAON: We maintain a list of
3 postconsumer suppliers on our web page.

4 CHAIRPERSON BROWN: How is this list -- it's
5 multi-prong question. How is the list determined? Do we
6 go out and check their material to determine whether it's
7 quantity and quality sufficient to supply these people?
8 And do we do all the testing that's required or at least
9 any to certify or say, yes, this supplier has it? Or is
10 it just somebody calling and saying I've got gads of
11 plastic I can sell them and they don't come look at it?

12 SUPERVISOR LEAON: We don't do any quality
13 testing of material. What we attempt to do is identify
14 suppliers and the types of resins that they offer and
15 provide that information. It's really up to the
16 manufacturer to work with a supplier on quality issues.
17 But the regulations do specify postconsumer quality
18 material. Most manufacturers, all of them as far as I
19 know, use their own quality specs rather than the
20 specification that's provided in regulation. And they do
21 their own quality testing.

22 CHAIRPERSON BROWN: But do we know that this
23 material is -- that there's a certain amount of quantity
24 readily available from the people on our list or what the
25 quality of the product is that we put on our website for

1 people?

2 SUPERVISOR LEAON: We have done some phone calls
3 to suppliers.

4 CHAIRPERSON BROWN: I don't want phone calls.
5 Have you seen it, Mike? Have you gone out or has anybody
6 gone out in the field to look at the stuff to see?

7 SUPERVISOR LEAON: Well, we did have a contract
8 through CSU Chico, and Professor Joe Green developed
9 quality assurance and quality control guidelines working
10 with California processors with the express idea of
11 providing them with the tools they can use to improve
12 their own quality control measures. I have been out in
13 the field in years past visiting postconsumer material
14 suppliers, but I haven't been out in the field
15 specifically to ask them if the quality of their material
16 meets the blow molding quality.

17 CHAIRPERSON BROWN: I think Sue wants to chime
18 in.

19 MS. INGLE: I would like to add that the list is
20 updated by using the names listed by the manufacturers.
21 They have to list on their forms the suppliers. So we
22 take all those suppliers, and I take the new ones and put
23 them onto the list.

24 So apparently these are suppliers that are
25 producing postconsumer material for other trash bag

1 makers. So that's where the companies come from on our
2 list.

3 CHAIRPERSON BROWN: So you don't even know
4 whether they have additional material available for Glad,
5 Poly-America, or anybody to purchase from?

6 MS. INGLE: No. We did have a questionnaire. We
7 just finished the list last week. And we did ask -- one
8 of the questions was how much material do you have
9 available? Do you have blown film grade material? Can
10 you supply a million pounds? So we were trying to get an
11 idea of do they have extra material available? Are they
12 willing to contract with current trash bag manufacturers?

13 CHAIRPERSON BROWN: All right. I guess the
14 reason I'm asking is it seems to be, you know, he said/she
15 said. There's not enough quality. We say there's
16 quality. We have a list. They look at the list. It's
17 not available. It's not good quality. And so we're back
18 and forth in this thing we've been in for years. And if
19 we say that there is, I hope that we have a really good
20 scrubbed clean list of material that, you know, is
21 unrefuted it's available out there. It's a million tons
22 disposed. We have the infrastructure. I would hope that
23 was the case, and I don't know that we've gotten there
24 yet, but that was the genesis of my question.

25 Member Wiggins has a question.

1 BOARD MEMBER WIGGINS: Yes. I don't see why it's
2 staff's responsibility to have a comprehensive list since
3 the manufacturers in the law says that they are to find
4 these postconsumer products. So I don't think staff has
5 that responsibility to that extent.

6 CHAIRPERSON BROWN: Well, I would agree. But if
7 we provide any list at all, I would hope that the
8 information that we provide is accurate and that we can
9 show that it's accurate, or we shouldn't put it on the
10 website. I mean, I would hate to say we've got all these
11 suppliers and then it's bad information. That was the
12 only point of my question.

13 Anybody else? Gary, did you have anything?

14 BOARD MEMBER PETERSEN: Thank you, Madam Chair.

15 I think I'd like to start by saying in the world
16 of where we've been in recycling over the years in
17 developing markets, it's always competitive. If you look
18 at -- I'll take for instance the newspaper recycling
19 industry. When we started that way back, there were paper
20 drives. But when we really got into doing the
21 community-based commercial recycling where we started
22 curbside programs and things of that nature, it was
23 competitive. You had the export market, the domestic
24 market. And these mills and the exports were very
25 aggressive and how did they get our business? They paid

1 more money. They paid more money for the commodity. This
2 is the same situation it is in the plastics industry. If
3 you want it, you pay for it.

4 Now, the economics of this in their processing
5 system versus let's say a plastic bag versus a paper bag,
6 there's a big discrepancy. It's cheaper to produce the
7 plastic.

8 I'm glad that Glad is looking to find bailed
9 material. The first thing I would say, you're not
10 vertically integrated. You're relying on the resin
11 industry. And that's no way to play the game. I'm glad
12 you're doing that now. Controlling your own source and
13 willing to pay the price to get the material, it will come
14 out of the waste stream. It always has. It always will.
15 And where I see the efforts here on some of the smaller
16 companies -- and we look at Poly-America. I mean, we're
17 not at 10 percent with Poly-America, but they've made
18 another stab at another point from last year to this year,
19 2004 to 2005. And they're aggressively out there trying
20 to find bailed material.

21 And what you said, Mike, is absolutely true.
22 What you put out in the field and how you hustle this is
23 where you end up getting the material to make your
24 product. There's no secret to this. That's the way it's
25 been in the recycling business for a long time.

1 Anyway, I'm hopeful -- and I also will say there
2 should be another way to deal with what we're dealing with
3 and using these kinds of recovered plastics and other
4 kinds of materials to count towards that, the recycled
5 content. I believe that. Except I'm here after I don't
6 know how many years -- I've only been on the Board six
7 months. And I've been listening to all this, and it just
8 quite frankly drives me up a wall listening to all this.

9 My whole take on this is I'm glad that we've gone
10 through this process. Poly-America deserves to have an
11 exemption. But the other four need to be put on notice.
12 And maybe we'll start seeing more people out in the field,
13 more plastic bails being shipped. We're willing to pay
14 the price to get the stuff into their plants and make this
15 happen. Or we all work together and try to deal with the
16 law as it stands right now. Anyway, my recommendation,
17 our recommendation of our Committee stands with me. And
18 that's all I have to say, Madam Chair.

19 CHAIRPERSON BROWN: Anybody else?

20 Can I have a motion?

21 BOARD MEMBER PETERSEN: I'd like to move for a
22 motion. Is there a number on this?

23 CHAIRPERSON BROWN: I have no idea. Actually, we
24 have to do each Resolution individually.

25 BOARD MEMBER PETERSEN: We don't have --

1 BOARD MEMBER DANZINGER: Are we taking up the
2 Resolution as revised by the Committee?

3 CHAIRPERSON BROWN: Do we have Revised
4 Resolutions as per the Committee direction?

5 ACTING DEPUTY DIRECTOR SMITH: Yes. They're in
6 the packet.

7 CHAIRPERSON BROWN: And they were distributed?

8 BOARD MEMBER PETERSEN: Madam Chair, I'd like to
9 move 2006-105 Revised for Glad Manufacturing to deny the
10 exemption.

11 BOARD MEMBER WIGGINS: Second.

12 CHAIRPERSON BROWN: It's been moved by Member
13 Petersen and seconded by Member Wiggins.

14 Kristen, can you call the roll?

15 EXECUTIVE ASSISTANT GARNER: Danzinger?

16 BOARD MEMBER DANZINGER: Aye.

17 EXECUTIVE ASSISTANT GARNER: Mulé?

18 BOARD MEMBER MULÉ: Aye.

19 EXECUTIVE ASSISTANT GARNER: Peace?

20 BOARD MEMBER PEACE: Aye.

21 EXECUTIVE ASSISTANT GARNER: Petersen?

22 BOARD MEMBER PETERSEN: Aye.

23 EXECUTIVE ASSISTANT GARNER: Wiggins?

24 BOARD MEMBER WIGGINS: Aye.

25 EXECUTIVE ASSISTANT GARNER: Brown?

1 CHAIRPERSON BROWN: Aye.

2 BOARD MEMBER PETERSEN: I'd also like to move
3 2006-106 Revised, Pactiv Corporation for non-exemption. I
4 mean -- yeah, non-exemption.

5 BOARD MEMBER DANZINGER: Second.

6 CHAIRPERSON BROWN: It's been moved by Member
7 Petersen and seconded by Member Danzinger.

8 BOARD MEMBER WIGGINS: Can I just ask for a
9 clarification? Did you say that the exemption is denied?

10 BOARD MEMBER PETERSEN: Yes.

11 CHAIRPERSON BROWN: That's in the Revised
12 Resolution.

13 CHAIRPERSON BROWN: Moved by Member Petersen and
14 seconded by Member Danzinger.

15 Can you call the roll?

16 EXECUTIVE ASSISTANT GARNER: Danzinger?

17 BOARD MEMBER DANZINGER: Aye.

18 EXECUTIVE ASSISTANT GARNER: Mulé?

19 BOARD MEMBER MULÉ: Aye.

20 EXECUTIVE ASSISTANT GARNER: Peace?

21 BOARD MEMBER PEACE: Aye.

22 EXECUTIVE ASSISTANT GARNER: Petersen?

23 BOARD MEMBER PETERSEN: Aye.

24 EXECUTIVE ASSISTANT GARNER: Wiggins?

25 BOARD MEMBER WIGGINS: Aye.

1 EXECUTIVE ASSISTANT GARNER: Brown?

2 CHAIRPERSON BROWN: Aye.

3 BOARD MEMBER PETERSEN: Move Resolution 2006-107

4 for Poly-America for an exemption.

5 BOARD MEMBER MULÉ: Second.

6 CHAIRPERSON BROWN: It's been moved by Member

7 Petersen and seconded by Member Mulé.

8 Can you call the roll?

9 EXECUTIVE ASSISTANT GARNER: Danzinger?

10 BOARD MEMBER DANZINGER: Aye.

11 EXECUTIVE ASSISTANT GARNER: Mulé?

12 BOARD MEMBER MULÉ: Aye.

13 EXECUTIVE ASSISTANT GARNER: Peace?

14 BOARD MEMBER PEACE: Aye.

15 EXECUTIVE ASSISTANT GARNER: Petersen?

16 BOARD MEMBER PETERSEN: Aye.

17 EXECUTIVE ASSISTANT GARNER: Wiggins?

18 BOARD MEMBER WIGGINS: Aye.

19 EXECUTIVE ASSISTANT GARNER: Brown?

20 CHAIRPERSON BROWN: Aye.

21 BOARD MEMBER PETERSEN: Also like to move

22 Resolution 2006-108 for Republic Bags for non-exemption.

23 BOARD MEMBER MULÉ: Second.

24 BOARD MEMBER WIGGINS: Second.

25 CHAIRPERSON BROWN: It's been moved by Member

1 Petersen and seconded by Member Mulé and Wiggins.
2 Can you call the roll?
3 EXECUTIVE ASSISTANT GARNER: Danzinger?
4 BOARD MEMBER DANZINGER: Aye.
5 EXECUTIVE ASSISTANT GARNER: Mulé?
6 BOARD MEMBER MULÉ: Aye.
7 EXECUTIVE ASSISTANT GARNER: Peace?
8 BOARD MEMBER PEACE: Aye.
9 EXECUTIVE ASSISTANT GARNER: Petersen?
10 BOARD MEMBER PETERSEN: Aye.
11 EXECUTIVE ASSISTANT GARNER: Wiggins?
12 BOARD MEMBER WIGGINS: Aye.
13 EXECUTIVE ASSISTANT GARNER: Brown?
14 CHAIRPERSON BROWN: Aye.
15 BOARD MEMBER PETERSEN: I'd also like to move
16 Resolution 2006-109 for Trans Western Polymers, Inc., for
17 non-exemption.
18 BOARD MEMBER MULÉ: Second.
19 CHAIRPERSON BROWN: It's been moved by Member
20 Petersen and seconded by Member Mulé.
21 Kristen.
22 EXECUTIVE ASSISTANT GARNER: Danzinger?
23 BOARD MEMBER DANZINGER: Aye.
24 EXECUTIVE ASSISTANT GARNER: Mulé?
25 BOARD MEMBER MULÉ: Aye.

1 EXECUTIVE ASSISTANT GARNER: Peace?

2 BOARD MEMBER PEACE: Aye.

3 EXECUTIVE ASSISTANT GARNER: Petersen?

4 BOARD MEMBER PETERSEN: Aye.

5 EXECUTIVE ASSISTANT GARNER: Wiggins?

6 BOARD MEMBER WIGGINS: Aye.

7 EXECUTIVE ASSISTANT GARNER: Brown?

8 CHAIRPERSON BROWN: Aye.

9 Okay. I guess we're working on legislation next
10 year. That would be great. Maybe we can get Member
11 Wiggins to help us draft it this year.

12 BOARD MEMBER MULÉ: Pat, we need a sponsor.

13 CHAIRPERSON BROWN: We need a sponsor. We need
14 some leadership. Okay.

15 I think we move to Agenda Item 17 now.

16 ACTING DEPUTY DIRECTOR SMITH: Consideration of
17 Plastic Trash Bag Manufacturers and Wholesalers Compliance
18 with the Plastic Trash Bag Law for 2005 Reporting Period.
19 And Sue Ingle will make the presentation.

20 (Thereupon an overhead presentation was
21 presented as follows.)

22 MS. INGLE: Well, hello again. We're going on to
23 Agenda Item 17. I promise this is the last one for me
24 today.

25 Well, as you know, manufacturers have the same

1 compliance options as those discussed in the last agenda
2 item, and I won't go through each one of them. Let's go
3 onto the manufacturers and a quick overview of the
4 certification.

5 --o0o--

6 MS. INGLE: There were 94 certifications mailed
7 to trash bag manufacturers for 2005. Of this group, 28
8 manufacturers met the PCM requirements and reported using
9 between 10 and 89 percent PCM in their regulated bags. A
10 total of 36 manufacturers did not respond. Five were out
11 of business. Seventeen were determined to be out of
12 compliance. And 14 companies, the regulatory status is
13 unknown, but we will try to determine that later.

14 --o0o--

15 MS. INGLE: Wholesalers are required to annually
16 report to the Board the amount of plastic trash bags sold
17 into California. They report their shipping locations and
18 identify the manufacturers and wholesalers whom they
19 purchase regulated trash bags. Results of the wholesalers
20 certification are shown on this table.

21 --o0o--

22 MS. INGLE: There were 232 certifications mailed
23 to businesses last year with 90 demonstrating compliance.
24 Eighty-six companies did not respond, of which 27 were
25 determined to be out of compliance, and 54 companies with

1 their regulatory status to be determined.

2 --o0o--

3 MS. INGLE: Staff determined that there were 44
4 noncompliant manufacturers and wholesalers for 2005.
5 Noncompliant manufacturers and wholesalers were determined
6 by several factors, including they did not return the
7 certification form for 2005. And they were identified by
8 a wholesaler as selling regulated bags into California
9 and/or their bags were found on store shelves.

10 --o0o--

11 MS. INGLE: This brings us to Option 1. This
12 option would adopt and publish a list of noncompliant
13 manufacturers and wholesalers a list that satisfies the
14 requirements of the Trash Bag Law. This option also
15 recommends adopting a list of manufacturers that met the
16 10 percent postconsumer content requirements. This
17 compliant list of manufacturers would assist State
18 entities with procurement purchasing requirements for the
19 State Buy Recycled Law.

20 Option 2 then recommends adopting a single list
21 of noncompliant manufacturers and wholesalers.

22 Option 2 would take no action and direct staff to
23 return to the Board at a future meeting.

24 Staff recommends adopting one, and this concludes
25 my presentation.

1 --o0o--

2 MS. INGLE: Do you have any questions?

3 CHAIRPERSON BROWN: Thank you, Sue.

4 Do we have any questions?

5 BOARD MEMBER DANZINGER: I just want to ask -- go
6 ahead, Cheryl.

7 CHAIRPERSON BROWN: Member Peace.

8 BOARD MEMBER PEACE: The only question have is
9 with the last vote, is Attachment 1 and attachment 2
10 become revised?

11 MS. INGLE: Yes. Attachment 2 was revised. As
12 of yesterday, I had four companies that notified me and we
13 checked and found out they were subsequently in compliance
14 or not regulated. So we took them off the list.

15 CHAIRPERSON BROWN: I think Member Peace's
16 question relates to the previous agenda item. Would you
17 then amend these?

18 MS. INGLE: Yes. It will be amended with the
19 four companies that were determined noncompliant by
20 exemption.

21 BOARD MEMBER PEACE: Attachment 1 will be amended
22 to add Poly-America, and the other ones will be amended to
23 add the other four.

24 I guess my question is, is that taken for granted
25 or in the Resolution where it says the Attachment 1 very

1 bottom it says, "a list of noncompliant trash bag
2 manufacturers and wholesalers whereas compliant ones shown
3 in Attachment 1 and 2." Is it just taken for granted
4 these are the revised attachments, or does it need to say
5 revised?

6 BRANCH MANAGER ORR: This is Bill Orr.

7 I believe as part of the previous Resolutions
8 that you adopted, it already calls for those companies to
9 be included in the noncompliance list. So I think you've
10 already addressed that.

11 BOARD MEMBER PEACE: Okay.

12 CHAIRPERSON BROWN: Thank you.

13 Member Danzinger.

14 STAFF COUNSEL BLEDSOE: Madam Chair, excuse me.
15 Michael Bledsoe, Legal.

16 I think it would be wise to note Attachments 1
17 and 2 as revised, you know, today. We should note these
18 are revised attachments that we're attaching to this
19 Resolution.

20 CHAIRPERSON BROWN: Okay. Thank you.

21 Member Danzinger.

22 BOARD MEMBER DANZINGER: There's one line in this
23 agenda item that sort of stands out. Usually these agenda
24 items are written quite diplomatically. But the way this
25 one line is phrased where it says, "at least one major

1 manufacturer has determined that since it doesn't contract
2 with California State agencies, it makes better business
3 sense to completely ignore the law rather than trying and
4 failing to comply."

5 So we actually note there is a company out there
6 that has made the calculated deliberative decision to
7 not -- who are they? Or can you say? I'm sorry. I don't
8 want to ask that if -- aren't they going on the
9 noncompliant list anyway and be published?

10 MS. INGLE: They're on the noncompliant list.
11 But I don't think I can say who the company is at this
12 time.

13 BOARD MEMBER DANZINGER: Fine.

14 CHAIRPERSON BROWN: Any other questions or
15 comments?

16 Member Petersen has --

17 BOARD MEMBER PETERSEN: I have a comment, Madam
18 Chair.

19 I'm supporting the adoption of the list of
20 noncompliant trash bag manufacturers and wholesalers and
21 asking that the Board provide specific direction to staff
22 to aggressively pursue enforcement of the prohibition on
23 State agency purchases from these companies.

24 In particular, I'm requesting that the Board
25 direct staff to coordinate with the Department of General

1 Services in notifying State agency officials to enforce
2 the procurement prohibition in Public Resources Code
3 Section 42297 with respect to both manufacturers and
4 wholesalers of noncompliant trash bags. As I understand
5 that section, State agencies cannot purchase any product
6 from a manufacturer of noncompliant trash bags or any
7 noncompliant bags from a wholesaler until this Board
8 determines those bags are compliant with the law.

9 Further, I ask the Board's direction to staff to
10 promote the use of compliant recycled content trash bags
11 through the Buy Recycled campaign required by the Public
12 Resources Code Section 42600.

13 Madam Chair, my office has prepared a Revised
14 Resolution incorporating this direction, and I'd like to
15 introduce it for the Board's consideration. You should
16 all have copies. It's Resolution 2006-104 Revised.

17 CHAIRPERSON BROWN: Do we take that under
18 consideration separate from the original Resolution? Or
19 how do we do that, Michael?

20 STAFF COUNSEL BLEDSOE: Madam Chair, this would
21 be the Revised Resolution, I believe is what Mr. Petersen
22 is proposing. So he would --

23 CHAIRPERSON BROWN: But do we -- what if one of
24 the Board members wouldn't want to support this? Do we
25 take this as a separate agenda -- or separate item, vote

1 on it, and then --

2 STAFF COUNSEL BLEDSOE: Any member who wishes to
3 move a particular action at this point could move that.
4 So Mr. Peterson might move approval of his Revised
5 Resolution or another member might move approval of the
6 original Resolution.

7 CHAIRPERSON BROWN: Okay. I understand. Thank
8 you for clarification.

9 Okay. Does anybody have any questions?

10 Member Wiggins.

11 BOARD MEMBER WIGGINS: I have two Resolutions,
12 2001-104 Revised. One is different than the other. So
13 how do we determine which it is?

14 CHAIRPERSON BROWN: You guys -- I have a question
15 while we're looking at it. Member Petersen, can you
16 explain what exactly you mean by directing staff to
17 promote and use compliant recycled trash bags and a buy
18 recycled campaign? It seems to be worded very
19 specifically.

20 BOARD MEMBER PETERSEN: We have a statute that
21 basically requires us to help promote the use of recycled
22 content materials.

23 CHAIRPERSON BROWN: Do we need to allocate funds
24 to do this, and do we have funds if we're directing staff?

25 BOARD MEMBER PETERSEN: No. The way it's written

1 in statute to support Public Resources Code 42600.
2 Specifically, it's promote and help make sure the market
3 material or recycled content process is continued on and
4 supported by our staff.

5 CHAIRPERSON BROWN: Do we currently -- since
6 that's a Code section that's currently in law, do we
7 already do that? Staff?

8 BOARD MEMBER PETERSEN: I hope so.

9 BRANCH MANAGER ORR: This is Bill Orr again. In
10 terms of a statutory code section, we don't have a
11 specific program called the Buy Recycled Public Education
12 Campaign, but we have a number of ongoing programs that
13 this could easily be part of. The only portion of it --
14 for example, we have a recycled products directory that
15 specifically called for as part of that section. We can
16 promote the use of the bags by making sure that the
17 compliant vendors are part of the recycled products
18 directory. The environmentally preferable products best
19 practices manual was mentioned earlier. There's a chapter
20 in that best practices manual that's under development on
21 plastic trash bags. So there are a number of things like
22 that that I believe comply with that code section.

23 The one part that would be of concern to me in
24 terms of resources would be if we were really looking for
25 this to be a consumer or residential based effort, which

1 we don't currently have that kind of campaign ongoing, but
2 we do have the Ogilvy contract and the Green Procurement
3 Action Plan that contemplates a green procurement toolbox,
4 and this could clearly be a tool in that toolbox.

5 CHAIRPERSON BROWN: Does the statute specifically
6 reference a residential and consumer?

7 BRANCH MANAGER ORR: It's inclusive. It mentions
8 business, industry, residential. We've had a number of
9 campaigns over the years focusing on different types and
10 different target audiences. I think it's inclusive within
11 that overall statute. I'm just saying that I think we
12 have the resources to do that with existing activities
13 unless it's going to have a residential focus.

14 CHAIRPERSON BROWN: So if it were to have a
15 residential focus, you're saying staff would need
16 additional resources in order to comply with this
17 Resolution?

18 BRANCH MANAGER ORR: That would be my suggestion,
19 yes.

20 CHAIRPERSON BROWN: Okay. And then the other
21 question I have for staff is, have we ever utilized and
22 targeted a particular item rather than a sector of the
23 waste stream?

24 BRANCH MANAGER ORR: Absolutely. I think we do
25 that all the time with tires, RAC, recycled aggregate, all

1 of those kinds of things are specific products that we're
2 targeting.

3 CHAIRPERSON BROWN: Okay. Any questions?

4 Member Wiggins, did you have -- or did you
5 already speak? Okay.

6 BOARD MEMBER MULÉ: Madam Chair.

7 CHAIRPERSON BROWN: I'm having a little problem
8 with directing staff, Gary. I'm sorry. I don't want to
9 direct a new program. I wouldn't mind encouraging staff
10 or having them come to back to with us a proposal to
11 include consumer or residential. I think it's a great --
12 I understand what you're trying to do here, and I agree.
13 I just think we need to maybe look at something a little
14 different than directing staff to expand the program. I'm
15 concerned about the resources and how that might work in
16 our priorities. So I don't know at this point whether
17 there's an option for changing a word rather than a
18 directive in a proposed Resolution or --

19 STAFF COUNSEL BLEDSOE: Madam Chair. Yes, you
20 may change any words, delete any sentences that you wish.

21 CHAIRPERSON BROWN: Okay. Pat has a question
22 before we do that.

23 BOARD MEMBER WIGGINS: Is the issue in the
24 Resolution, "that be it further resolved, the Board direct
25 staff to promote the use of compliant recycled content

1 trash bags through the Buy Recycled Campaign"? Is that
2 what you're looking at?

3 CHAIRPERSON BROWN: Yes.

4 BOARD MEMBER WIGGINS: Yes. Okay.

5 CHAIRPERSON BROWN: Any other, Gary?

6 BOARD MEMBER PETERSEN: Sorry. What was the
7 question?

8 CHAIRPERSON BROWN: She wanted to clarify what I
9 was asking about. And actually, I mean, if we could
10 just -- I mean, if we could even just change the word
11 direct to encourage staff to promote the use of -- it's
12 not --

13 BOARD MEMBER MULÉ: Madam Chair, if I may, I
14 still have some concerns with this language, because I can
15 see where this sentence here can take on a life of its
16 own. And let me give you an example. By encouraging
17 staff to promote the use of compliant recycled trash bags
18 through the Buy Recycled campaign, we may include that.
19 Staff may come back to us to include that in a grant
20 proposal as part of the recycled content purchasing
21 policy, and specifically, you know, target trash bags.
22 And I just don't know that we want to go that far. I
23 think -- I don't know. Again, I just think the language
24 while it's well intentioned, I think it could just go far
25 beyond what our intent is. So I do have some concerns

1 about that. So I would ask if we could remove that be it
2 further resolved sentence from the Resolution and then
3 vote on it.

4 CHAIRPERSON BROWN: Do we --

5 BOARD MEMBER WIGGINS: Let's hear from Gary.

6 CHAIRPERSON BROWN: Gary.

7 BOARD MEMBER PETERSEN: Well, it doesn't make me
8 happy. But I'd like to get the votes and get this done
9 with. So I'll go on along with that.

10 CHAIRPERSON BROWN: You'll go along with that or
11 do you want to vote on it before it's resolved?

12 BOARD MEMBER PETERSEN: Well, I would like --

13 CHAIRPERSON BROWN: You can move it as submitted
14 and we can vote on it.

15 BOARD MEMBER PETERSEN: Or we can just pull the
16 section out like we're taking about and vote on it and
17 move on; correct?

18 CHAIRPERSON BROWN: Correct.

19 BOARD MEMBER PETERSEN: I might have the votes.
20 Okay. Why don't I move it as is and see if we have the
21 votes.

22 CHAIRPERSON BROWN: Let me -- Member Peace would
23 like to speak.

24 BOARD MEMBER PEACE: I was just going to say, if
25 we change that word to encourage, don't we encourage staff

1 to promote the use of all recycled content products
2 through the Buy Recycled campaign?

3 CHAIRPERSON BROWN: Correct. We have the
4 programs in place. This actually just -- so we actually
5 do what this sentence has said. It's not focusing
6 specifically on trash bags, and it doesn't focus
7 specifically on consumer or residential.

8 BOARD MEMBER DANZINGER: So Member Mulé, what
9 you're saying is by setting this out as its own piece, it
10 could be interpreted by staff in their day to day
11 operations as this is something that deserves some
12 primacy. It should be, you know, targeted in some
13 respect, aside from all of the other areas that we
14 encourage.

15 BOARD MEMBER MULÉ: Yes. Yes.

16 BOARD MEMBER DANZINGER: I understand that.

17 BOARD MEMBER MULÉ: That's why I'm thinking,
18 let's just keep it simple. Let's just remove it. Because
19 as you mentioned, Madam Chair, is that we're already
20 encouraging staff. Staff's already doing these things
21 with a variety of products.

22 BOARD MEMBER PETERSEN: But we do have a law on
23 the books that requires this by law, correct, the 10
24 percent?

25 CHAIRPERSON BROWN: The Buy Recycled Campaign?

1 BOARD MEMBER PETERSEN: The 10 percent recycled
2 content in trash bags.

3 CHAIRPERSON BROWN: We do.

4 BOARD MEMBER PETERSEN: That's basically what
5 we're trying to get to with this statement.

6 MR. SMITHLINE: Madam Chair, Scott Smithline.

7 It's a little difficult for those of us in the
8 audience, because we don't have a copy of this. It's
9 difficult for us to follow along on this discussion.

10 BOARD MEMBER PETERSEN: It's difficult for you?

11 CHAIRPERSON BROWN: Thank you, Scott. I
12 appreciate that comment.

13 Would anybody else in the audience like a copy
14 for reference during this discussion? The section that
15 we're specifically talking about is on page 2, and it's
16 the second paragraph on be it further resolved.

17 Why don't we -- how would you like to proceed,
18 Gary, with your revised agenda item? Would you like to
19 vote on it?

20 BOARD MEMBER PETERSEN: I'd like to vote on it,
21 please.

22 CHAIRPERSON BROWN: Can I have a motion?

23 BOARD MEMBER PETERSEN: I move Resolution
24 2006-104 Revised.

25 BOARD MEMBER WIGGINS: Second.

1 CHAIRPERSON BROWN: It's been moved by Member

2 Petersen and seconded by Member Wiggins.

3 Call the roll.

4 BOARD MEMBER PEACE: I think we also need to add

5 that in the Attachments 1 and 2 as revised also, to

6 reflect the revisions. Isn't that what you said would

7 make it more clear?

8 STAFF COUNSEL BLEDSOE: Yes, please.

9 BOARD MEMBER PEACE: In that bottom line where it
10 says shown in Attachments 1 and 2.

11 CHAIRPERSON BROWN: As revised.

12 BOARD MEMBER PETERSEN: Okay.

13 CHAIRPERSON BROWN: Okay. Kristen, call the
14 roll.

15 EXECUTIVE ASSISTANT GARNER: Danzinger?

16 BOARD MEMBER DANZINGER: Yeah. I'm going to have
17 to abstain. I'm confused on what the impact of this is.

18 So I'm somewhat unclear on the exchange up here, and I'm
19 not sure what -- so I'm going to have to abstain. Sorry.

20 EXECUTIVE ASSISTANT GARNER: Mulé?

21 BOARD MEMBER MULÉ: No.

22 EXECUTIVE ASSISTANT GARNER: Peace?

23 BOARD MEMBER PEACE: I can see some of the -- I
24 really don't think it's a problem, but I can see some of
25 the points. So I'll say no.

1 EXECUTIVE ASSISTANT GARNER: Petersen?

2 BOARD MEMBER PETERSEN: Aye.

3 EXECUTIVE ASSISTANT GARNER: Wiggins?

4 BOARD MEMBER WIGGINS: Aye.

5 EXECUTIVE ASSISTANT GARNER: Brown?

6 CHAIRPERSON BROWN: No.

7 The Resolution is not carried forward. Not
8 approved.

9 So at this point, is it possible to take up the
10 Resolution revised be omitting that last paragraph of be
11 it further resolved. Would that then be Resolution 2006-4
12 Revised B or something? How would we designate between
13 revised and revised?

14 STAFF COUNSEL BLEDSOE: Revision 2.

15 CHAIRPERSON BROWN: That's why you're the
16 attorney. Would you like to submit Revision 2?

17 BOARD MEMBER PETERSEN: I would like to move
18 Resolution 2006-04 Revised 2.

19 CHAIRPERSON BROWN: Revision 2, which removes the
20 second be it further resolved paragraph.

21 BOARD MEMBER PETERSEN: Correct, Madam Chair.

22 CHAIRPERSON BROWN: Is there a second?

23 BOARD MEMBER MULÉ: Second.

24 CHAIRPERSON BROWN: It's been moved by Member
25 Petersen and seconded by Member Mulé.

1 Are there any questions before we go further for
2 clarification or direction?

3 BOARD MEMBER DANZINGER: No. This one is
4 conventional enough I can follow it.

5 CHAIRPERSON BROWN: All right. Call the roll.

6 EXECUTIVE ASSISTANT GARNER: Danzinger?

7 BOARD MEMBER DANZINGER: Aye.

8 EXECUTIVE ASSISTANT GARNER: Mulé?

9 BOARD MEMBER MULÉ: Aye.

10 EXECUTIVE ASSISTANT GARNER: Peace?

11 BOARD MEMBER PEACE: Aye.

12 EXECUTIVE ASSISTANT GARNER: Petersen?

13 BOARD MEMBER PETERSEN: Aye.

14 EXECUTIVE ASSISTANT GARNER: Wiggins?

15 BOARD MEMBER WIGGINS: Aye.

16 EXECUTIVE ASSISTANT GARNER: Brown?

17 CHAIRPERSON BROWN: Aye.

18 BOARD MEMBER PETERSEN: Thank you, Madam Chair.

19 CHAIRPERSON BROWN: Now where are we? Agenda

20 Item 21.

21 Thank you all for your patience.

22 DEPUTY DIRECTOR LEE: Good afternoon, Madam

23 Chair, Board members. My name is Jim Lee, Deputy Director

24 for the Special Waste Division.

25 Board Item 21 is Report on the Status of the

1 Remediation of the Sonoma County Waste Tire Sites. The
2 Sonoma tire sites collectively were and still are the
3 largest known remaining waste tire sites remaining in
4 California. The Board's successfully remediated four of
5 the eight sites last summer removing over 80 percent of
6 the million-plus tires. Of the remaining four sites, the
7 Universal Portfolio site with more than 200,000 tires is
8 the largest one.

9 We last discussed Sonoma project site status with
10 the Board in March of this year. At that time, the Board
11 unequivocally reaffirmed its insistence that the remaining
12 sites be remediated forthwith. I'm pleased to report that
13 the waste tire site landowners, most notably those for the
14 Universal Portfolio site, have responded very favorably to
15 the Board's directives. The discussions and negotiations
16 for the Universal Portfolio site remediation have
17 proceeded cooperatively and productively over the last few
18 months.

19 Many of the preliminaries for the remediation and
20 subsequent restoration effort have been addressed thanks
21 to diligent and conscious staff work by Steve Levine of
22 the Board's legal office and Bob Fujii and Albert Johnson
23 of my staff working closely with Universal Portfolio
24 representatives.

25 The Board's remediation contractor is on standby.

1 And if cost recovery negotiations are concluded
2 satisfactorily, remediation could commence as early as
3 next week.

4 At this time, I'm going to ask Albert Johnson to
5 discuss some of the aforementioned preparation and
6 scheduling details. Following Mr. Johnson's presentation,
7 Mr. Richard Idell, the attorney for Universal Portfolio,
8 would like to address the Board to request favorable
9 consideration of UP's cost recovery proposals. Albert.

10 CHAIRPERSON BROWN: Thank you, Jim.

11 MR. JOHNSON: Good afternoon, Madam Chair and
12 members of the Board.

13 Universal Portfolio is the only tire site we're
14 going to clean up this summer. The only one we have
15 scheduled of the Sonoma sites anyway. And for the last
16 few months, as Jim mentioned, we've been working hard on
17 getting this site ready to go this summer. The plans
18 needed to be revised and other items like that for
19 restoration. That's all been completed.

20 I'm pleased with the progress we've made and the
21 help we had from Mr. Idell and Mr. Buck, representatives
22 of the property owner, in getting to the point we're at.
23 Their help was essential to be here where we are. And in
24 fact, tomorrow I'm going to the site to meet with our
25 contractor and Mr. Buck to further coordinate the

1 remediation efforts. We're scheduled to work assuming
2 everything goes well today on Monday. And the remediation
3 will begin then scheduled. Our estimate at this point is
4 about 34 days of work.

5 If you have questions, I'd be happy to answer
6 them. Or else I'll turn it over to Mr. Idell.

7 CHAIRPERSON BROWN: Thank you, Albert.

8 Does anybody have any questions or we can invite
9 our speaker up?

10 Mr. Idell, thank you. It's nice to see you
11 again.

12 MR. IDELL: It's nice to see you, Madam
13 Chairperson, and Board members. Can you hear me? Is that
14 better? Okay. Sorry.

15 I'm Richard Idell. I represent Universal
16 Portfolio. We have submitted to the Board two letters.
17 One was submitted in August of 2005 prior to your August
18 16th meeting, which had attached to it various exhibits,
19 receipts, and such. And we also submitted a letter to you
20 June 6th, 2006, with some additional costs and expenses
21 that we've incurred in this process as part of the record
22 on our negotiation for cost recovery, which is what I
23 understand we're doing here today as part of a culmination
24 of this process. But I want to hit a few highlights and
25 make a few points to you and give you some information

1 that's not in the packet.

2 As we've spoken before, historically the tires in
3 this site, as we understand it -- and we weren't there
4 because we only bought the land in 1994 -- were placed on
5 this land which was a previous dairy ranch at the advice
6 of local agricultural agencies for emission control.
7 There are two tire sites. I submitted some photographs to
8 you in March of the sites that are there.

9 And of course, we had no role in that because UPL
10 purchased the property in 1994 and believed in good faith
11 at that time based on what the landowner said who sold it
12 to us that there were about 70,000 tires on the property.
13 And we were also told at that time and confirmed that the
14 County of Sonoma, which at that time more or less had your
15 role, the County said, well, take 2,000 out in '96 and
16 2,000 in '97, and then you can take 5,000 a year out until
17 they're all gone. But my client really wanted them out of
18 there. So before this Board ever contacted us, before
19 there was any notice or action by this Board, in 1996 we
20 took 30,000 tires out. We have manifests showing that are
21 in the packet we've previously submitted.

22 There was still tires left. In 1997, since we
23 had some experience in the process of getting them out
24 because they had to be dragged up a hill using chains and
25 equipment, in 1997, we took out 110,458 tires. Well, at

1 that point, we were double the amount of the estimate that
2 we've been given by the previous landowner, and there were
3 still a lot of tires.

4 The next thing that happened after that is that
5 we received a contact from your Board in 1998. And there
6 were still tires there. It's now estimated that there's
7 211,000 tires in those two holes. So if that's correct --
8 and we don't know whether it's high or low. It looks like
9 we took out a third of what's there without any voluntary
10 action or enforcement or abatement orders or anything.

11 In 1998, when we did hear from your Board, we
12 were asked to provide a plan for removal of the tires,
13 which we did. That plan was never responded to in any
14 way. We were never told it was good. We were never told
15 it was bad. But the next thing that happened after that
16 is that in 2003 the abatement orders were issued, and we
17 began to become part of this process that's been going on
18 in Sonoma County in terms of dealing with the various
19 State agencies, federal agencies, and such that had to
20 approve of these removal processes. And as with you're
21 well aware, the lead agency on that was the Resource
22 Recovery District in Sonoma County. And they took care of
23 dealing with all these myriad of agencies that had to be
24 dealt with.

25 And so finally, towards the end of last year, in

1 August of 2005, most of that had been done, and we wanted
2 to get them out last fall. But as it turned out, we
3 couldn't get a contractor who was willing to commit to get
4 the remediation work done, and we couldn't get it done
5 before the rains.

6 So the next thing that happened after that was
7 that we came before you in March. And we found out about
8 the issues that had occurred with the December rain storms
9 and this and that. And we realized that we had to have
10 some changes made to the plans for the remediation. And
11 we gave you a timetable that suggested that we would be
12 able to commence this project in late July or August based
13 on a timetable that would have us finish the plans off in
14 about a month. All of these deadlines have been adhered
15 to.

16 The engineer, CSW, revised the plans on time.
17 They were submitted to your Board. They were approved.
18 The County has signed off on the existing permit. The
19 environmental has been taken care of. As far as we know,
20 we're ready to go on Monday, assuming we can reach a
21 negotiated cost recovery with you today, and we hope that
22 we can.

23 Mr. Levine and I have been working together over
24 the last ten days or so to try to get all the wording of
25 the documentation done. And I'm happy to report I think

1 we are 99.9 percent of the way there. There were a couple
2 of changes he was going to make over lunch, because I
3 grabbed him in the hallway interrupting his lunch. And I
4 appreciate very much the cooperation we've had from Mr.
5 Levine and other staff members in moving this along.

6 It's my plan to stay here until after you
7 deliberate so that we can get the contract signed today,
8 because I'm leaving town at the end of the week and won't
9 be available to see the commencement of this operation.
10 But I'm glad it will finally be happening.

11 These numbers are in the written materials, but I
12 just wanted to recap them. Up until the point where we
13 entered into the cost recovery negotiations under the
14 acknowledgement and willingness to negotiate, we have
15 spent \$375,000 on the removal process to remove a third of
16 the tires. After that, we spent another \$63,605 in the
17 process of getting us here today and up to the hearing
18 that you had in Santa Rosa on August 16th. From that date
19 to today, including the additional engineering costs, the
20 additional environmental and other administrative costs,
21 RCD and such, we spent at \$45,567. So spent to date out
22 of pocket, \$484,000. And we've taken out a third of the
23 tires.

24 It's estimated there's 211,000 in there. They've
25 given us a very gross estimate that there's -- going to

1 cost about \$500,000 to get it out. We have accepted the
2 option of leaving imbedded tires in there, but we've also
3 told the staff and we've written it into the offer letter
4 that we may very well get to the point that there's
5 something in there and we want it out anyway. And the
6 Board hopefully will agree to do that for us, because we
7 may very well just want them all out. And we don't know
8 exactly what that cost is. But of course the offer letter
9 contemplates that uncertainty.

10 We have received a couple of remediation bids.
11 The one that we had in time to submit with the packet was
12 for \$688,000. That's money of course we're going to have
13 to go out of pocket as well. We have two other bids. One
14 of them's about \$100,000 less. The other one is a lot
15 less, but we're a little bit skeptical about what it
16 appears to be. And of course, that will be our choice.
17 Obviously, we'd like to spend as little as possible as
18 long as we can get the work done in the way it should be
19 done.

20 You have negotiated cost recovery percentages
21 with some of the other landowners. And we certainly feel
22 that our percentage should be at least as favorable as
23 those other landowners. But we have one issue that none
24 of the other landowners have, which is that before this
25 Board ever came to us and before we ever received any

1 notice about the law that changed in the early '90s or the
2 mandate to remove all these tires, we tried to remove what
3 we thought was all of them. Turned out to be a third, but
4 we made that effort and we did it voluntarily and did it
5 on our own dime.

6 In addition to that, we have been entirely
7 consistent and responsive with the process of the Sonoma
8 tire issue and have met our responsibilities voluntarily
9 by removing the tires and by complying with the deadlines
10 that we told you we were going to meet. And so from a
11 cost recovery point of view in terms of what our
12 percentage is and what you're going to forgo for us, we
13 would ask that our percentage actually be higher than the
14 other landowners for that reason.

15 So I'm happy to answer any questions that anybody
16 has. I'm glad we've reached today. I'll be glad 45 days
17 from now when the tires are out and another 30 or 60 days
18 from now when it's finished. So you if you have any
19 questions. Otherwise, I would ask that you favorably
20 consider our request and see if we can get it done today
21 and move on.

22 CHAIRPERSON BROWN: Thank you, Mr. Idell.

23 Member Wiggins has questions.

24 BOARD MEMBER WIGGINS: Yes. Does Universal
25 Portfolio suffer a financial hardship?

1 MR. IDELL: I'm not really sure I understand the
2 question.

3 BOARD MEMBER WIGGINS: The question is does
4 Universal Portfolio suffer from a financial hardship?

5 MR. IDELL: We haven't chosen to provide tax
6 returns the way Mr. Silacci did, because I don't think
7 that we're in the same position that he is. But I will
8 say that given the operation that we have there which is
9 an agricultural operation where we have permanent crops
10 and grapes and olives that makes very little money in
11 comparison to what the land is worth, that having to go
12 out of pocket a million dollars to deal with an issue that
13 you didn't put there is a hardship.

14 Now, are we going to not be able to put bread on
15 the table, no. I'm not going to represent that to you.
16 But I don't think that one's financial situation really
17 comes into this in terms of the effort to try to clean up
18 the environment in this way. And like I said, spending a
19 million dollars on this process, whatever the source of
20 the money, is a lot of money. I don't know if that
21 answers your question. I'll be happy to go further if you
22 wish.

23 BOARD MEMBER WIGGINS: That's fine.

24 CHAIRPERSON BROWN: Anybody else have any
25 questions? Okay. Thank you.

1 Mr. Idell, thank you very much. We'll take all
2 this information under consideration during our closed
3 session.

4 CHAIRPERSON BROWN: Thank you very much. Now we
5 move to Agenda Item 23.

6 ASSISTANT DIRECTOR MYERS: Thank you, Chair
7 Brown, members of the Board. Jon Myers, Office of Public
8 Affairs.

9 Item 23 is Consideration of Contractor for a
10 Public Relations Service for the Electronic Waste and Tire
11 Sustainability Programs.

12 As you recall, the Board approved two separate
13 Scopes of Work, the first in October 2005 for the
14 Electronic Waste Program and other in December of 2005 for
15 the Tire Sustainability Program. These Scopes of Work
16 were each approved as separate campaigns, yet we combined
17 the two campaigns as single Request for Proposals as a
18 competitive bid in an effort to minimize staff time in
19 working with multiple contractors and multiple staffers.

20 These Scopes were similar in public relations and
21 outreach needs that a single contractor would be able to
22 fulfill all the duties and tasks required. One contractor
23 would free up much time in working with these campaigns as
24 well as save much staff time in the bidding process.
25 These two campaigns will be more efficiently managed in

1 this manner, create a more comprehensive message, and
2 create the consistency that we've been trying to build
3 among all our programs.

4 I've asked Carol Baker from the Board's Contract
5 Division to update you on the selection process to give
6 you a better understanding of how the selection occurred.
7 It's an exciting time for the Board as we have our new
8 outreach efforts. And with these campaigns, I believe we
9 had a fair and impartial panel that was able to select the
10 best candidates for these campaigns based on their
11 creativity, ability to understand the issues, and
12 understanding of the expectations from the Scopes of Works
13 that were presented.

14 We pulled staff from each of the divisions that
15 will be participating in these campaigns to be on the
16 panel; one from the E-Waste Program and one from the Tire
17 Division, as well as two from the Public Affairs Office as
18 the managers of this contract. Each panel member was
19 instructed to score independently from one another, and no
20 communication with the bidders regarding the selection
21 process were permitted, as I'm sure Carol will discuss
22 with you in a minute.

23 So actually I'd like to ask Carol if she can come
24 up and define the selection process. And then I'd like to
25 turn it over to Roberta Kunisaki from Office of Public

1 Affairs who has been designated the project manager for
2 this campaign and she'll give you a brief overview of the
3 item.

4 MS. BAKER: I'm Carol Baker. I'm the contract
5 analyst that oversaw the solicitation process for this
6 contract. We did choose the Request for Proposal
7 solicitation process secondary method which allows the
8 CIWMB to evaluate not only on cost, but also on the
9 approach to the project, the methodology, and
10 qualifications.

11 And basically I'll give you a brief overview of
12 the process. It started out with the solicitation package
13 that's published on the DGS website. It spells out
14 external website, spells out the Scope of Work, our terms
15 and conditions, various documents, and time line and the
16 scoring criteria. We then had a question and answer
17 period where proposers or potential contractors could
18 submit questions or we also had a proposer's
19 teleconference for this contract. And they were allowed
20 to ask questions there. The questions and the answers
21 were subsequently compiled and published as an addendum to
22 the RFP and published on our website.

23 When the bids were submitted -- the proposals,
24 excuse me, they went through a pre-qualification phase. I
25 checked to make sure that all required documents were in

1 the proposal package. Then they were disseminated to the
2 evaluation team for scoring.

3 We received four proposals. All four did enter
4 the scoring phase of the process. Our evaluation team
5 consisted of two staff from Office of Public Affairs and
6 one each from the Tire Program and the Electronic Waste
7 Program. As John said, the scores were done
8 independently. They weren't to discuss with each other.
9 And the final scores came directly to me, and I summarized
10 them and came up with average scores for each of the
11 proposers. And the highest scored proposal was awarded
12 the contract pending Board approval.

13 Any questions?

14 CHAIRPERSON BROWN: Thank you.

15 Any questions of Carol on the process?

16 Member Wiggins.

17 BOARD MEMBER WIGGINS: Yes. So is this funding
18 two fiscal years 05-06 and 06-07?

19 CHAIRPERSON BROWN: Yes. It's both years.

20 BOARD MEMBER WIGGINS: It's both years. So
21 that's where you get the million-six?

22 CHAIRPERSON BROWN: Yeah.

23 BOARD MEMBER WIGGINS: Thank you.

24 CHAIRPERSON BROWN: Roberta.

25 MS. KUNISAKI: Thank you, Chair Brown and Board

1 members. Roberta Kunisaki with the Office of Public
2 Affairs.

3 As John described, this item comes before the
4 Board to award the contract for electronic waste recycling
5 campaign and the tire sustainability outreach efforts. As
6 a brief background, the Scope of Work for the electronic
7 waste recycling effort was approved by this Board in
8 Octobers of 2005 and was allocated to sum of one million
9 for fiscal years 06-07 and 07-08.

10 This campaign is designed to provide education
11 and information to California retail establishments on the
12 Electronic Waste Recycling Act fees, develop programs that
13 will help support the needs of the electronic retailers,
14 create consumer points of purchase messaging, facilitate
15 promotions to encourage future free and convenient
16 recycling opportunities, promote and brand the
17 erecycling.org, create publicity opportunities, and report
18 back measurements and successes.

19 The tire sustainability campaign was approved by
20 this Board in December of 2005 and was allocated the sum
21 of 600,000 for the years 06-06 and 07-08.

22 The concept behind this campaign was to promote
23 the positive benefits to proper tire maintenance, its
24 relationship in tire safety, longevity, cost savings, and
25 increased fuel economy. This campaign is focused on

1 reaching the underserved communities in California with an
2 emphasis on non-English speaking and limited English
3 speaking communities.

4 After careful evaluation of each of the four
5 firms that submitted proposals, the staff is recommending
6 approval of Ogilvy Public Relations Worldwide as the
7 successful contractor for the Electronic Waste and Tire
8 Sustainability Programs and ask that the Board approve
9 Option Number 1 and approve Resolution Number 2006-113.

10 This concludes my presentation. Be happy to
11 field any questions.

12 CHAIRPERSON BROWN: Were we going to correct the
13 dates? It is 05-06 and it is 06-07.

14 ASSISTANT DIRECTOR MYERS: Yes. It is in the
15 agenda item with the correct dates.

16 CHAIRPERSON BROWN: Do we have any questions from
17 Board members? Peace.

18 BOARD MEMBER PEACE: In the agenda item it says
19 in January '05 the Board was given \$200,000 in funding to
20 start a public awareness campaign. What was done with
21 that \$200,000?

22 ASSISTANT DIRECTOR MYERS: I believe that was
23 with the Earth Communication Office campaign where we
24 created public service announcements, had placement of
25 those public service announcements, worked with some

1 retailers on disseminating some information out to the
2 general public.

3 BOARD MEMBER PEACE: So those public service
4 announcements were actually aired?

5 ASSISTANT DIRECTOR MYERS: Yes. They've actually
6 been shown here at the Board.

7 BOARD MEMBER MULÉ: Wasn't that to kick off the
8 E-Waste Recycling Program? I'm looking back to staff in
9 the rear. Yeah. As you may recall Board Member Peace,
10 that was when we started the program, we started the
11 collection fee, and --

12 ASSISTANT DIRECTOR MYERS: Started January 1st of
13 '05.

14 BOARD MEMBER MULÉ: We launched the erecycle.org
15 website. We had the PSA.

16 BOARD MEMBER PEACE: I saw some of the PSAs and
17 they were good. I just never realized they ever got out
18 to the public.

19 ASSISTANT DIRECTOR MYERS: And actually they are
20 still currently running those PSAs.

21 CHAIRPERSON BROWN: Would it be helpful if you
22 got a report from them? You do reports on where they're
23 shown?

24 ASSISTANT DIRECTOR MYERS: Yes, Chair Brown.
25 Actually, we had somebody who was working with us who I

1 just got a report since the contract with ECO ended, I'm
2 not sure how long ago, but did it end. And somebody
3 else's name was still on the PSA contact list. They just
4 got in contact with me to let me know they're still being
5 aired and they are going to submit to me all the markets
6 that it's being aired so I can present that to the Board.
7 I'm surprised I haven't had that yet. It's supposed to be
8 in my in-box.

9 CHAIRPERSON BROWN: You can just include it in
10 the weekly activity report. That would be great.

11 BOARD MEMBER PEACE: I'm having a hard time
12 seeing why we needed to combine the tire sustainability
13 and e-waste. It looks like two so totally different
14 Scopes of Work to me with different goals and different
15 messages and different audiences. I guess I just don't
16 see why we needed to combine them and have just one
17 contractor.

18 ASSISTANT DIRECTOR MYERS: The way I saw that was
19 I didn't see a need to go out and submit two different
20 proposals for basic public relations services. Yes, there
21 are different tasks involved with each of the campaigns,
22 but both of them are, simply put, done by a public
23 relations firm. And one firm would be able -- and that's
24 one of the things we looked at when we sent out the RFP,
25 was to find a firm that would be able to have all the

1 capabilities to handle both of these. They are public
2 relations services that one firm should be able to handle
3 completely.

4 We wanted to save ourselves time. We wanted to
5 save ourselves money in trying to go out and do all the
6 bidding. Plus, I was really looking at developing the
7 consistency of messaging, instead of having to repeat
8 myself to separate contractors, two separate contractors,
9 found it easier to work with one contractor that could get
10 our message across.

11 BOARD MEMBER PEACE: So you based them getting
12 the contract on the fact it would be easier for us to deal
13 with one contractor and not based on the bids that came in
14 and kind of work they do?

15 ASSISTANT DIRECTOR MYERS: I based the reasoning
16 for going out for one contract on partially on that, yes.

17 BOARD MEMBER PEACE: I guess I'm still -- I guess
18 this doesn't look right to me to have Ogilvy get all of
19 our marketing dollars in last couple of years. I guess I
20 just don't feel comfortable with it, especially when
21 Ogilvy got off to a really slow start on the recycled
22 content marketing contract when we had given out all of
23 our money for the year in RAC, the \$3.8 million before
24 they even got started. Personally, I'm having a real hard
25 time.

1 ASSISTANT DIRECTOR MYERS: I completely
2 understand that and actually kind of anticipated that
3 might be on some of the minds of the Board members. And
4 when I stepped back and take a look at it, I evaluated one
5 fourth of the overall bids that came in or proposals that
6 came in. And I was one of four members. You know, each
7 of us had to take a look at all four of the proposals that
8 were submitted to us.

9 The objective to looking at those proposals was
10 to find the best proposal that fit these campaigns to fit
11 these Scopes of Work we were looking for. We were
12 objective in our approach and systematic in our approach.
13 And at the end of the day, you know, Ogilvy came through
14 with a better proposal to meet the scoring criteria. What
15 their history with the Board has been as far as they
16 already have an ongoing contract with us really didn't
17 play into -- it wasn't part of the scoring criteria
18 whatsoever. We went by what the scoring criteria had.

19 BOARD MEMBER PEACE: Had Ogilvy had any
20 relationships with the Board before the last couple of
21 years? Had they ever done any other marketing?

22 ASSISTANT DIRECTOR MYERS: I've only been here
23 two and half years. I can't say. But I don't remember
24 when we contacted with them prior that there's been a
25 relationship there.

1 CHAIRPERSON BROWN: I have a question, John.

2 On page 2 of the proposal under -- well, in the
3 last part, key themes and work to be performed include but
4 not limited to, can you explain exactly what bullet point
5 three means, implementing a sponsorship program with the
6 goal of securing a million dollars in matching support
7 from electronic manufacturers. What is that? What's it
8 for?

9 ASSISTANT DIRECTOR MYERS: What we're looking to
10 do is -- that's really focus around the erecycle.org
11 website. We're really looking to brand the erecycle.org
12 and get out there. What we had started with Earths
13 Communication Office, ECO, a couple of years ago was
14 providing sponsorship for the erecycle.org site. And
15 that's primarily what this will be doing. It's going out
16 and helping find a sponsorship for that site. So we can
17 keep that site up and running. What we'd like to do is
18 make this site all inclusive to take care of all the needs
19 for any questions out there regarding electronic waste
20 recycling. To do this, it's a costly site to maintain to
21 grow it to the point that we see it being effective to the
22 constituents.

23 CHAIRPERSON BROWN: Who maintains erecycle.org?

24 ASSISTANT DIRECTOR MYERS: Currently, we are, the
25 Waste Board.

1 CHAIRPERSON BROWN: So how do we set up an entity
2 and receive sponsorship money to maintain a website that
3 is --

4 ASSISTANT DIRECTOR MYERS: We will be doing that
5 through the selected contractor just as we did with ECO.
6 We had to stop that when the contract with ECO stopped
7 and --

8 CHAIRPERSON BROWN: So Ogilvy will take over
9 erecycle for the period of this contract and maintain it
10 and set up a private entity?

11 My limited recollection is we can't take private
12 funds in this state to manage State activities.

13 ASSISTANT DIRECTOR MYERS: I'm going to have to
14 go back to how we worked that with ECO, because I know we
15 worked it out through that contract to make that happen.
16 So I will have to go back to them on that.

17 CHAIRPERSON BROWN: I'd be interested in exactly
18 what it is. I'm not saying it's a bad idea to spin it off
19 and have. It mean, it's a great idea to have a private
20 entity run it, get the sponsorship, and then it's not
21 something that we for perpetuity have to maintain.

22 ASSISTANT DIRECTOR MYERS: Those same concerns
23 came up when we were working with ECO, and we had to work
24 around to make sure we were doing everything by the book
25 and correctly. So I will ensure that.

1 CHAIRPERSON BROWN: Thank you.

2 Any other questions?

3 Member Mulé.

4 BOARD MEMBER MULÉ: Madam Chair, thank you.

5 I just have one quick question, Jon. And I've
6 learned a long time ago you can't assume anything. So I
7 need to ask the question. You will be working very
8 closely with our tire staff and our e-waste staff
9 throughout this whole process, or Roberta as project
10 manager will be working very closely with our staff on
11 this project?

12 ASSISTANT DIRECTOR MYERS: I'll answer that with
13 the one thing I did learn from the current Ogilvy contract
14 that we have was that staff's participation is invaluable.
15 I started off the Ogilvy one taking it on trying to work
16 it, and realized that the experience and knowledge comes
17 from program staff. And I'm not going to be able to pull
18 this off, nor Roberta in her wide experience and vast
19 knowledge in this Board. We will be working with Program
20 staff closely.

21 BOARD MEMBER MULÉ: Thank you very much.

22 MS. KUNISAKI: If I may, board Member Mulé.
23 Imbedded is the word I've been using when I go to the
24 meetings, imbedded with the staff.

25 BOARD MEMBER MULÉ: Great. Works for me. Thank

1 you.

2 BOARD MEMBER PETERSEN: Madam Chair.

3 CHAIRPERSON BROWN: Member Wiggins first and then
4 I'll -- Member Wiggins.

5 BOARD MEMBER WIGGINS: Yes. Chairwoman, could
6 you clarify for me what you said about the dates that they
7 need to be rephrased in the --

8 CHAIRPERSON BROWN: The agenda item is written
9 correctly. Roberta had referred to which fiscal year the
10 money was coming from. It's actually coming from the
11 current fiscal year 05-06 is 500 from electronic and 300.
12 And then the next fiscal year is the other half.

13 BOARD MEMBER WIGGINS: What I was looking at was
14 right?

15 CHAIRPERSON BROWN: Exactly. We had it right.

16 ASSISTANT DIRECTOR MYERS: That's correct.

17 CHAIRPERSON BROWN: Member Petersen.

18 BOARD MEMBER PETERSEN: I want to go back to one
19 thing Jon said earlier about the messaging and
20 coordinating our efforts and branding what we need to do
21 to get out there on public information. I think it's a
22 great idea and a great direction you're going. And I'm
23 behind it 100 percent and want to help whatever I can.

24 ASSISTANT DIRECTOR MYERS: We'll take you up on
25 that. We have your list prepared for you.

1 BOARD MEMBER PETERSEN: Do you want me to give
2 you another list or do you have mine?

3 ASSISTANT DIRECTOR MYERS: We'll compare notes.

4 CHAIRPERSON BROWN: Thank you, Gary.

5 Any other questions? Can I have a motion?

6 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
7 Resolution 2006-113.

8 CHAIRPERSON BROWN: Can I have a second?

9 BOARD MEMBER PETERSEN: I'll second that.

10 CHAIRPERSON BROWN: It's been moved by Member
11 Mulé and seconded by Member Petersen.

12 Kristen, can you call the roll?

13 EXECUTIVE ASSISTANT GARNER: Danzinger?

14 BOARD MEMBER DANZINGER: Aye.

15 EXECUTIVE ASSISTANT GARNER: Mulé?

16 BOARD MEMBER MULÉ: Aye.

17 EXECUTIVE ASSISTANT GARNER: Peace?

18 BOARD MEMBER PEACE: No.

19 EXECUTIVE ASSISTANT GARNER: Petersen?

20 BOARD MEMBER PETERSEN: Aye.

21 EXECUTIVE ASSISTANT GARNER: Wiggins?

22 BOARD MEMBER WIGGINS: Aye.

23 EXECUTIVE ASSISTANT GARNER: Brown?

24 CHAIRPERSON BROWN: Aye.

25 And then actually for Member Wiggins, we do have

1 the Revised Resolution 2006-100 pertaining to Agenda Item
2 7 which was the contractor for the landfill gas monitoring
3 well. And we did have a vote immediately after lunch that
4 we held open. Would you like to vote?

5 BOARD MEMBER WIGGINS: Well, should we just
6 reintroduce this Resolution --

7 CHAIRPERSON BROWN: We did prior to you arriving.
8 So everybody has already voted on it. We held it open for
9 you to vote.

10 BOARD MEMBER WIGGINS: Aye. Wiggins, aye.

11 CHAIRPERSON BROWN: Thank you. I'm sorry.

12 Okay. That concludes our regular agenda. The
13 Board will now move into closed session. And Mr. Idell is
14 not present, but we will let you handle that at the
15 conclusion of closed session. Okay. Thank you.

16 (Thereupon the California Integrated Waste
17 Management Board, recessed into closed
18 session at 3:16 p.m.)

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1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing hearing was reported in shorthand by me,
7 Tiffany C. Kraft, a Certified Shorthand Reporter of the
8 State of California, and thereafter transcribed into
9 typewriting.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said hearing nor in any
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 27th day June, 2006.

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